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Alia Highlights 'Transformation' on Anniversary

AU0811101088 Tirana ATA in English
0745 GMT 8 Nov 88

["The Trust in the Party, Socialism, Force Which Leads to Progress"—ATA headline]

[Text] Tirana, November 8 (ATA)—On occasion of November 8, the 47th anniversary of the founding of the party, the party committee of Korce District gave a dinner on November 7.

Attending were communists, war and labour veterans, vanguard working people and leading cadres from economic enterprises, agricultural cooperatives and various institutions, military men, young men and women.

Those present welcomed with great enthusiasm the first secretary of the party Central Committee and president of the Presidium of the People's Assembly, Comrade Ramiz Alia.

The first secretary of the district party committee, Comrade Pali Miska, thanked Comrade Ramiz Alia for the great honour he made for being amongst them on the memorable festivity of the 47th anniversary of the party's formation.

Comrade Ramiz Alia greeted those present.

It is a special joy for me, Comrade Ramiz Alia said among others, to be here among you on the occasion of the party's great festivity, to celebrate this joyful day for the entire Albanian people in heroic Korce, which, through its worker movement, its revolutionary movement preceded the party's formation.

I am happy to be among the industrious people of Korce who have been distinguished always for patriotism, determination in the struggle for the national cause, for progress and knowledge among this people, in whose fold the founder of the party Comrade Enver Hoxha was moulded as a communist and revolutionary.

The party's foundation constitutes a radical turning point in the life of the Albanian people. Our party was born as an indispensability of the time. It was not merely a union of a handful of people of the same ideal. It was born to liberate the homeland from bondage, so that the country win freedom, the people escape the sufferings and be masters of their own destinies on their soil.

Our party was born as a party of action, struggle, as a party which would bring to the people the plundered freedom and a just social order. It was formed as a party not only of the workers, but of the entire common people.

It made room in the hearts of all patriotic Albanians, who desired progress, who dreamt of a new life. This is the great "secret" why our people followed the communists.

The enemies, Comrade Ramiz Alia continued further on, have struggled through all manners of means against our party. They have striven to detach the people from the communists. But the people with their intuition managed to distinguish who was fighting for their interests and who was trampling them under foot. They saw in the communists those who would save Albania.

It is precisely for this reason, Comrade Ramiz Alia stressed, that in that very grave period of time, when it was being waged a life and death struggle, when all the genuine patriots were anxious for the destinies of the homeland, when the question was put: Would this nation survive or would it be wiped out, the Albanian people was united with the communists and fought not only against the occupiers but also against those who posed as patriots and who were sold out to the foreigners. Our party, Comrade Ramiz Alia said further on, has always pursued a correct, revolutionary line, because it has relied on the teachings of Marxism-Leninism. When we launched the war, the Albanian communists had a very slight knowledge of the Marxist theory, much more slight than today. But the party and Comrade Enver Hoxha taught those to love the homeland, the people, not to put anything above them. We absorbed Marxism through struggle, through the revolution.

The line of our party has been and is a line that has brought about transformations in every Albanian family, Comrade Ramiz Alia underscored later on. When we were liberated 90 percent of population was illiterate, whereas today 70 percent of pupils who finish the 8 form school directly attend the secondary school. This means to pass from darkness to light.

When we were liberated our country had 1 million people, nevertheless they ensured bread grains only for half a year, whereas today we are self-sufficient in bread grains for over 3 million people. This means to pass from poverty to prosperity. The struggle of the party for the socialist transformation of the country has been a heroic struggle.

Radical changes have taken place not only in the material world but in the spiritual one as well. Our people, our youth are pure both morally and politically and ideologically. Our people are men with lofty ideals, with clear targets. The communist ideal is alive in Albania. I think that there is no greater joy for the veterans, for the generation that waged the war, than when we see that their ideal is inherited by the coming generations and is not stained and betrayed as it happens elsewhere.

Our people have devoted themselves to socialism. Their determination, their knowledge, and will [willpower] make you optimistic. Therefore, we march to the reliable future. The force of socialism is proved in our country.

In Albania, Comrade Ramiz Alia said in conclusion, the people will always be sovereign, the banner of Marxism-Leninism, of Comrade Enver Hoxha's ideas, of the teachings of our glorious party, will always flutter. Let us march resolutely and uninterruptedly on this road, which is the road to the future.

Comrade Ramiz Alia's greeting was listened attentively and was often punctuated by applauses and acclamations for our glorious party of labour.

In the course of dinner which passed in a very joyful atmosphere, those present toasted to our party, to the brilliant deed of the unforgettable leader Comrade Enver Hoxha, the Central Committee of the party with Comrade Ramiz Alia at the head, the party organization and people of Korce District.

Balkan Deputy Ministers To Meet in Tirana
AU1411214088 Tirana Domestic Service in Albanian 1900 GMT 14 Nov 88

[Text] The ministries of foreign affairs of Bulgaria, Greece, Yugoslavia, Romania, and Turkey have responded positively to Albania's proposal for the meeting of representatives of ministries of foreign affairs of Balkan states. It will be held in Tirana between 18-20 January 1989, at the level of deputy minister. At this meeting, views will be exchanged on the realization of activities of multilateral cooperation planned for 1988, and their influence upon creating a spirit of trust and understanding in the Balkans.

The program of Balkan activities for 1989 will also be discussed, and the time and places of the next meeting of high-level representatives of ministries of foreign affairs will be decided. The meeting of deputy foreign ministers of the Balkan states in Tirana is awaited with interest. The problems to be discussed there and the exchange of views on issues of a regional and bilateral nature will bring a new contribution to the improvement of the political atmosphere in the region. It will also help to create conditions for the further development of bilateral and multilateral cooperation and peace and security in the Balkans.

Greece's Papoulias Receives Lazri in Athens
AU1411202488 Tirana Domestic Service in Albanian 1900 GMT 14 Nov 88

[Text] Karolos Papoulias, minister of foreign affairs of the Greek Republic, today received Sofokli Lazri, director of the Institute for the Study of International Relations, who is visiting Greece.

On this occasion a cordial conversation was held, and the friendly relations that exist between Albania and Greece, as well as some aspects of developments in the Balkans today, etc., were discussed.

Izedin Hajdini, ambassador extraordinary and plenipotentiary of the People's Socialist Republic of Albania to Greece, also took part in the meeting.

Foreign Ministry Delegation Returns From Austria
AU1111200788 Tirana Domestic Service in Albanian 1900 GMT 11 Nov 88

[Text] The delegation of the Foreign Ministry of the People's Socialist Republic of Albania, led by Deputy Minister Sokrat Plaka, which paid a friendly and official visit to the Republic of Austria, returned home today.

Trade Delegation Comes Back From Cuba
AU1111200888 Tirana ATA in English 0740 GMT 11 Nov 88

[Text] Tirana, November 11 (ATA)—The government trade delegation of the People's Socialist Republic of Albania, headed by Minister of Foreign Trade Shane Korbeci, returned home from the Republic of Cuba.

At the airport, the delegation was received by the minister of home trade, Osman Murati; director of department at the Ministry of Foreign Affairs, Bashkim Dino, and others.

Lukanov, Economic Delegation Visit Syria
AU1311183688 Sofia BTA in English 1700 GMT 13 Nov 88

[Text] Damascus November 13 (BTA)—A Bulgarian economic delegation led by Mr. Andrey Lukanov, alternate member of the CC of the BCP and minister of foreign economic relations, paid a visit to Syria from November 10 to November 12.

Mr. Hafiz al-Asad, secretary general of the Arab Socialist Renaissance Party Ba'th and president of Syria, received the leader of the Bulgarian delegation, who delivered to him a message on the development of the relations between the two countries in all fields by Mr. Todor Zhivkov, secretary general of the CC of the BCP and president of the State Council.

Mr. Andrey Lukanov was also received by Mr. Mahmud al-Zu'bi, prime minister of the Council of Ministers, and by Mr. Salim Yasin, deputy prime minister of the Council of Ministers.

The Bulgarian delegation had a meeting with a Syrian economic delegation, lead by Mr. Muhammad al-'Imadi, minister of economy and foreign trade. They signed a protocol on the promotion of cooperation in trade, the food industry, transport and agriculture.

Economic Talks With Japan End 'Successfully'
AU1111173188 Sofia RABOTNICHESKO DELO in Bulgarian 10 Nov 88 p 6

[Text] In Sofia on 9 November the 2-day session of the Bulgarian-Japanese economic talks ended very successfully. Discussions were held in a constructive spirit on various aspects of bilateral trade and economic relations. Kazuo Haruna, leader of the Japanese section of the mixed Bulgarian-Japanese Committee for Economic, Scientific, and Technical Cooperation and president of Marubeni, one of the largest Japanese cooperations, made this assessment of the work of the committee's 11th session. The protocol signed on the results of the session, he said, expresses the wish of both sides to continue their work on expanding trade and economic cooperation.

I welcome the Bulgarian Government's idea, which is aimed at the further progressive, steady development of your country. We are interested in extending the links in the food, computer and electronics, and chemical industries. New possibilities are also emerging for setting up joint associations and joint enterprises, participating in the duty-free zones, and expanding investments.

Of course, Bulgaria is a small country, and the products to be manufactured by the joint plants, which must be of high quality, will be offered not only on the Bulgarian market, but also on the international one.

Petko Danchev, leader of the Bulgarian section of the committee and chairman of the "Biotechnological and Chemical Industry" Association, also expressed satisfaction with the work of the session. I am convinced, he said, that the positive results of the session will lead to specific trade deals and operations, some of which are already outlined in the signed protocol and in the plan for the committee's activities next year. The accords reached relate to the fulfillment of the agreements already signed for providing technologies and setting up joint manufacturing facilities in Bulgaria. For example, Japanese firms will take part in developing the Varna regional chemical complex and the chemical complexes in Vratsa and Sofia, in modernizing the "Sviloza" plant in Svishtov, in developing the Burgas petrochemical combine, and in mastering new pharmaceutical agents and raw materials for the pharmaceutical and cosmetics industries. Conditions have been created for the joint design of machines, equipment, and installations for modernizing small casting shops and installations for metallurgy, agriculture, and the chemical industry, and for the manufacture of consumer goods.

The signing of the final protocol on the session's work yesterday [9 November] was attended by Stoyan Ovcharov, minister of the economy and planning, and chairmen of associations, banks, foreign trade, and economic organizations. Masami Tanida, the Japanese ambassador to Bulgaria, was also present.

DPRK Unification Program Viewed
AU1011145788 Sofia RABOTNICHESKO DELO in Bulgarian 9 Nov 88 p 5

[Editorial article: "Program on the Reunification of Korea"]

[Text] Independence, renouncing the use of force, and national rapprochement, regardless of differences in ideologies and political systems: These are the principles of the reunification of the Korean people, which representatives of the northern and southern part of the peninsula set up jointly as early as 15 years ago.

Despite constructive proposals and one-sided steps submitted and adopted by the DPRK, no significant progress has been achieved on this issue to this day. In 1984 Pyongyang proposed to Washington and Seoul tripartite negotiations for replacing the 1953 ceasefire agreement by a peace treaty and for the withdrawal of U.S. troops from the peninsula. Two years later, the DPRK declared that it will not produce, import, or deploy nuclear weapons on its territory, appealing to the United States to refrain from increasing its nuclear arsenals in South Korea.

On the other side of the 38th parallel, along where the demilitarization zone runs, there has been no positive response yet. There is even more: Despite the fact that the PDRK stopped conducting major military exercises,

the Pentagon involved Seoul in annual, large-scale military maneuvers under the code name "Team Spirit." Simultaneously, anti-American trends in the southern part of the peninsula are intensifying, and the idea of the Korean people's peaceful reunification enjoys increasing support. No Tae-u, leader of the South Korean administration, recently declared that the peninsula could be reunified, but did not indicate any practical method for this.

At the same time, the DPRK Government pointed out that the establishment of a Democratic Federal [konfederativna] Republic of Korea may be a realistic method of unifying the Korean people. According to Pyongyang, such a state would include two autonomous governments, preserving the two different socioeconomic systems on the basis of peaceful coexistence. The DPRK proposes the establishment of a national federal parliament with an equal number of representatives from the North and South, in addition to a permanent committee and a joint government for the leadership of the two autonomous governments and for the solution of problems concerning the whole country. The federal state would conduct an independent, neutral, and peaceful policy and be the only representative of the Korean people at the United Nations and other international organizations.

Last Monday [7 November], the leading organs of state government in the DPRK approved specific proposals whose implementation is likely to guarantee the peaceful reunification of the Korean people by 1995. These proposals included the gradual withdrawal of U.S. troops and nuclear arms from South Korea by 1991, the reduction of armed forces both in the North and in the South to 100,000 men on each side; the organization of tripartite negotiations between the DPRK, the United States, and South Korea, and a summit meeting between the North and South.

It is evident that an implementation of the program submitted by the DPRK would result in the Korean people's reunification, in the elimination of tension on the peninsula, and in the establishment of a peaceful, nuclear-free state on Korean territory.

Cultural, Scientific Exchange With Spain Set

AU1011212388 Sofia BTA in English
2035 GMT 10 Nov 88

[Text] Sofia, November 10 (BTA)—On behalf of the Governments of Bulgaria and Spain, Ms Mariya Zakharieva, deputy minister of foreign affairs, and Mr Miguel Arias Estevez, director general for cultural relations at the Spanish Ministry of Foreign Affairs, today signed a plan for cooperation in science, education and culture for the 1989-1991 period.

The Bulgarian Academy of Sciences and the Spanish Council for Scientific Research (CSIC), as well as research institutes in the two countries, will keep up their direct contacts. The exchange of teachers, experts and scientific workers and the enrollment in seminars and courses is becoming a common practice. An agreement is to be drawn up on the reciprocal recognition of diplomas, certificates of education and academic degrees. During the 1989-1991 period, a course in Bulgarian is expected to open at Barcelona and a course in Catalan at the Kliment Okhridski University of Sofia.

Spanish and Bulgarian film weeks will be held in the two countries' capitals, an exhibition of Bulgarian icons will be shown in Madrid, and Sofia will host a display of works from Spain's golden age. The two countries will lay particular emphasis on the exchange of artists and performers.

Chairman of Pollution Session Evaluates Success

AU0411174088 Sofia BTA in English
1521 GMT 4 Nov 88

["For Purity of Air"—BTA headline]

[Text] Sofia, November 4 (BTA)—The results obtained at the sixth session of the executive body for the Convention on Long-Range Transboundary Air Pollution which ended here today made some of the participants who represent 32 European countries, the United States, and Canada—all of them members of the UN Economic Commission for Europe—determine it as historical.

The atmosphere of good will, constructiveness, mutual understanding, the broad participation of the I.C.E member countries and the high level of the delegations contributed to making the sixth session one of the most successful ones, said Mr Boris Chakalov, chairman of the executive body for the convention and deputy chairman of the Environment Protection Committee.

At a press conference today, he highly appreciated the Protocol Concerning the Control of Emissions of Nitrogen Oxides or Their Transboundary Fluxes which was signed at the session by 25 countries, and expressed his conviction that other countries will add their signatures on it.

As a first step, the Sofia protocol puts the countries under the obligation to "freeze" the emissions of nitrogen oxides and their transboundary fluxes at their 1987 levels until 1994. The document makes it possible to start negotiations for decreasing the emissions of these oxides as a next step. For the first time, by signing such an instrument of international law, governments assume the obligation to render assistance in the exchange of technologies, information and projects.

In this connection, some countries made proposals for taking a series of further steps of particular importance. For example, Sweden proposed the establishment of a

special institute engaged in developing modern technologies, Poland made a proposal for holding a second seminar on air pollution control, Finland proposed that a special group for stimulating the exchange of technologies be set up.

As far as the other items of the agenda are concerned, great attention was paid to the reports made by separate representatives on the strategy and the policy of their countries, the practical results of the implementation of the protocol concerning the 30-percent decrease of sulphur oxides and on the first results of their efforts to control nitrogen oxides.

At the session a consensus was reached as to the mandate of the newly set-up working groups which will focus their attention on the settlement of the problem of other pollutants—the volatile organic substances.

Meeting on Agriculture Discusses Reforms

AU1111124088 Sofia Domestic Service in Bulgarian 1000 GMT 11 Nov 88

[Text] A session of the Central Council of the National Agro-Industrial Union Association was held at the Georgi Kirkov Hall in Sofia this morning. Aleksi Ivanov, minister of agriculture and forestry, attended the session.

An addendum to the model statute on agricultural brigades on questions of settling the private use of plots was adopted. Expanding the areas of plots for private use is envisaged. Pensioners and all people working in [words indistinct] are already entitled to such plots. Additional land for private use should also be granted to all those agricultural workers who are willing to raise cattle for meat supplies.

The progress in implementing the decisions adopted by the BCP Central Committee Politburo in November 1987 and in observing Decree No. 58 of the Council of Ministers on a qualitatively new stage in agriculture, issued in December 1987, was discussed at the session. [words indistinct]

Dimitur Tsonev, deputy chairman of the National Agro-Industrial Union Association, dealt with certain unresolved problems in his speech:

[Begin Tsonev recording] The collective [words indistinct], the still imperfect system of planning, and [word indistinct] require a restructuring of educational activities. Comrade Todor Zhivkov's memorandum once more establishes the status of the brigade as a basic commodity producer, as a basic structure in determining the production and socioeconomic standards in agriculture. This means that our intensive efforts devoted to restructuring a new model of brigades should be completed. It is required for this purpose, by the end of 1988 at the latest, to conduct a very profound analysis of the methods and means of consolidating the economic and social situation of the brigades, and it is necessary to adopt appropriate measures in this respect. [end recording]

'Deformations' in Prices Discussed

AU1411164788 Sofia RABOTNICHESKO DELO in Bulgarian 12 Nov 88 p 4

[Interview with Georgi Suev, deputy chief of the State Inspectorate on Prices of the Ministry of Planning and Economy, with Angelina Nikolaeva: "Reality Measured on the Basis of Prices" —date and place not given]

[Excerpts] Customers rarely think about all the factors which influence pricing. They are chiefly concerned about the final result of this process—the retail price they purchased their goods at yesterday, and what the same goods would cost today. The process is, however, complicated and connected with things that seem far-fetched at the first glance. Under the conditions of self-managing collectives and territorial communities it becomes increasingly necessary to discuss this problem and the implementation of more intensive control, so as to avoid violations and distortions. For this purpose and in response to several readers' questions, Angelina Nikolaeva, a representative of our editorial board, interviewed Georgi Suev, deputy chief of the State Inspectorate on Prices at the Ministry of Planning and Economy.

[Nikolaeva] We are all aware of the fact that prices are not a fixed constant, but depending upon numerous transformations in the conditions of production and marketing, are subject to changes.

[Suev] The principles and requirements for price-setting were very clearly defined in the decisions of the BCP National Conference. They evaluated the past state of prices and mapped out correct trends for future work in this respect. We should use a new approach to prices and to pricing to eliminate the accumulated deformations.

[Nikolaeva] Can you specify the deformations you have in mind and their causes?

[Suev] Without dividing them into important and secondary ones, we must admit that such deformations exist. [passage omitted]

Several deformations exist in retail prices of nonfood consumer goods, since their present level was also established under the conditions of the expenditure-calculating approach. Thus, for example, the prices of cotton and synthetic goods, as well as artificial fibers, do not reflect the quality and consumer properties [potrebitelski svoystva] of these goods. In my opinion, the chief element of deformation consists of an imbalance between certain basic groups of commodities that do not correctly reflect their consumer value.

At the same time, regardless of the existing deformations in this respect, which are justifiably subjected to criticism, it is an undeniable fact that in the case of retail prices for basic foodstuffs and other, nonalimentary consumer goods, which represent the so-called "consumers' basket," a policy of long-term immutability [produlzhitelna neizmennost] has been practiced in our country. In this respect we differ from various other countries. These realities in our country are visible to the public and we cannot fail to point out that the state, which includes society as a whole, has to pay a high price for this by bearing the unfavorable internal and external consequences.

[Nikolaeva] Nevertheless, how would you briefly describe the deformations in retail prices?

[Suev] If we conditionally accept the fact that labor wages are the price of manpower, then we must admit that this value also changes along with the changes in retail prices. [passage omitted]

The question of price deformations is very important, and the assessment of the BCP National Conference, as well as the new approach adopted in the decisions of the conference in connection with eliminating the deformations accumulated in this respect are fully justified.

[Nikolaeva] How will this be accomplished?

[Suev] The solution was pointed out. It is brief and unmistakable. Wholesale prices must be gradually adapted to the level of prices set on international markets by adopting the basic price structures of external markets. This should be accompanied by certain changes in accordance with conditions existing in our country, and in conformity with the tasks and requirements of our own economic and social policy. Practically, the entire price reform that affects wholesale and retail prices alike, as well as the financial incomes of the population, should be implemented following a preliminary nationwide discussion. Simultaneously, however, the price fluctuation should be supervised by efficient state and public control. These are the postulates approved by the BCP National Conference. They were specified by new normative acts, such as the Code on Economic Activities and the Instruction on Prices. Along with this, the price-setting process has become much more democratic since the state, on the basis of the adopted principles, criteria, and regulations, granted the right of pricing to the economic organizations. Nevertheless, the state will exert control on the correct application of the regulations established on the basis of normative acts. [passage omitted]

Better Retail Gasoline Supplies Promised

AU1111181388 Sofia RABOTNICHESKO DELO in Bulgarian 11 Nov 88 p 2

[Interview with Engineer Khristo Drenkarov, chief director of the "Petroleum" Combine, by Mara Georgieva: "Supply or Trade"—date and place not given]

[Excerpt] [Georgieva] At the beginning of the summer we discussed the disturbances in the supply of liquid fuels. The lines waiting at the gasoline stations last week lead us back yet again to this subject. What are the reasons?

[Drenkarov] These difficulties are in no way the fault of the producers, since in comparison to last year there has been a considerable rise in the production of all gasoline grades, and the production plan is being overfulfilled. The main reasons are the sharp rise in consumption of motor gasolines this year in both the private and state sectors, and the greater numbers of foreign vehicles transiting or visiting Bulgaria. Furthermore, the excessive hoarding of gasoline by car drivers who believed the unfounded rumors about forthcoming price rises has only made the situation more difficult.

[Georgieva] What is the solution?

[Drenkarov] In order to quickly eliminate the imbalance between the calculated resources and the country's demands, the "Biotechnological and Chemical Industry" Association provided additional stocks of motor gasolines. This stabilized supplies until the end of the first 10 days of October. However, from that time onward there was a sharp deterioration in the transportation of motor gasolines in railroad tank cars from the producers to the distribution bases of the "Petroleum" Combine, leading to a gradual decline in the available gasoline stocks, which by the end of October fell below the permissible minimum.

In order to overcome these difficulties, our leadership had several meetings with the management of the "Bulgarian State Railways" Economic Trust and with the leaderships of the "Biotechnological and Chemical Industry" Association and the Ministry of Transportation. The Council of Ministers also adopted urgent measures to quickly increase the supplies of gasolines to the "Petroleum" combine bases.

[Georgieva] What will be done to prevent such difficulties from occurring next year?

[Drenkarov] At the start of 1988 the executive bureau of the "Biotechnological and Chemical Industry" Association approved a concept for completely reorganizing the combine. Its main aim is to change the "Petroleum" combine from a marketing and supply organization into a typical nationwide organization trading in petroleum products and dealing in all kinds of necessary ancillary goods and services for the population.

In order to implement the approved concept, a draft decree has already been submitted to the Council of Ministers that provides for a radical restructuring of the previous system for balancing, planning, contracting, and wholesale and retail trading in petroleum products.

This draft decree provides for the final elimination of the previous excessively complex and bureaucratic marketing and supply system for petroleum product sales. It

also abolishes the previous extremely inefficient system for releasing fuels to the drivers of state-owned vehicles and monitoring their consumption. These measures provide a chance to eliminate the present separate supplies for state and private vehicles and the telltale marking of the fuels, thereby greatly increasing the handling capacity of our gas stations and increasing the efficiency of the road tanker fleet supplying them.

The draft decree provides fundamentally new forms of incentives to encourage fuel conservation in the state sector. I would also like to add that until now each new order sharply reduced the incentives for saving fuel and created conditions for uneconomic consumption and waste by drivers in the state sector. [passage omitted]

Vegetable Stock Exchange in Sofia Established
AU1211162688 Sofia ZEMEDELSKO ZNAME in Bulgarian 11 Nov 88 p 1

[Interview with Dimo Kondakov, chairman of the executive board of a newly established vegetable stock market, by reporter Andon Cheshmedzhiev; "Competition for the Sofia Market?" —date and place not given]

[Text] The needs of the capital for fresh fruit and vegetables (based on the norms for healthy nutrition) amount to approximately 400,000 tons today. It is no secret that this amount has never been delivered to the Sofia market—usually only 65-70 percent of the needs are covered. The reason for this is that production in our country still does not conform to this large market. Urgently required storehouses are in short supply, which badly affects the fruit and vegetable deliveries over the winter and spring months. The state of the trade network, especially in the newly built apartment blocks, is far from being satisfactory, and a negative influence is also exerted by the presently existing monopoly on fruit and vegetable trade. Every citizen of our capital who enters a district supermarket with his shopping bag in hand, becomes aware of the situation. One of the ideas on how to break this "vicious circle" has already become reality: The first vegetable stock exchange was established in Sofia yesterday with 38 agricultural enterprises and 8 trade organizations joining as members. They all have representatives on the elected executive board. What will the vegetable stock market actually represent? What about its goals and tasks? These are the questions we asked Dimo Kondakov, chairman of the executive board, in our interview with him. He answered as follows:

[Kondakov] This economic enterprise, which is supposed to be self-supporting and to operate with a minimum staff, is expected to contribute to the improvement of relations between producers and markets, and to the elimination of unnecessary units along the route from the field to the store—all this should eliminate the existing anonymity of goods (consumers usually do not know where the goods have been produced and who has produced them). In our opinion not only consumers, but also agricultural enterprises, will benefit from this vegetable stock exchange. According to preliminary calculations, the stock exchange will help increase the producers' incomes by 30 percent. It is envisaged as early as in the first year to increase our turnover to approximately 10 million leva. Naturally, this will be achieved mainly through the trade organizations which have joined the stock exchange, such as BULGARPLOD, the Public Catering City Cooperative Union, and others. In the more distant future we will begin to build our own food stores. We have the ambition to contribute to the establishment of new fruit orchards and vegetable gardens, freezing facilities, and product packaging centers on actual producers' premises.

[Cheshmedzhiev] Does this mean that you will be the main fruit and vegetable suppliers for the capital?

[Kondakov] The BULGARPLOD enterprise will continue to be the main supplier. It already owns over 450 food stores in the capital and is engaged in large-scale operations regarding the purchase, supply, and even processing of fruit and vegetables for Sofia's needs. Nevertheless, from now on, the new stock exchange will be a serious competitor for BULGARPLOD.

Let us wish good luck to the new economic association.

30 Arrested Civil Rights Campaigners Released

LD1511121088 Hamburg DPA in German 1035 GMT 15 Nov 88

[Excerpt] Prague (DPA)—The Czechoslovak authorities have released the 30 civil rights campaigners arrested on Friday [11 November]. This was learned today from reliable sources in Prague. Those arrested, who intended to take part in a symposium entitled "Czechoslovakia'88" and to found a "Helsinki group" for Czechoslovaka, included former Foreign Minister Jiri Hajek (76), writer Vaclav Havel, and the spokesmen for the civil rights movement 'Charter 77.' [passage omitted]

Adamec Presents Government Program Statement

AU1111151188 Prague RUDE PRAVO in Czech 9 Nov 88 pp 3-4

["Program Statement of the CSSR Government" delivered by Ladislav Adamec, chairman of the Council of Ministers, at the 11th joint session of the Chamber of Nations and Chamber of People of the Federal Assembly, in Prague on 8 November]

[Text] Esteemed Comrade General Secretary, Esteemed Comrade President of the Republic, Esteemed Comrade Chairman of the Federal Assembly, esteemed deputies, esteemed guests: I stand before you at the behest of the newly appointed CSSR Government to ask you to support our plans, the chosen course of action, and the methods of our work.

We ask for your confidence in the program for the last 2 years of the 8th 5-Year Plan. We are governed by the fundamental aims of the 8th 5-Year Plan which are based on the conclusions of the 17th CPCZ Congress. We proceed from the principle that the living standard, the satisfaction of the needs of society depend on created resources and on the results of human labor. We cannot cope with everything but our aim is to minimize deficits. We have to take account of the results achieved so far. We will make use of all valuable experience. We will reckon with everything that has vitality, but we will not continue with things which have not proven themselves which would tie our hands, create difficulties, and interfere with the necessary changes.

The main content and chief purpose of our activity is the program of profound economic and political reforms. We say unequivocably that there is no other way forward than that of restructuring, which was started by the historical decisions of the CPSU and expressed in the conclusions of its 19th All-Union conference. It enables us to make better use of the advantages of socialism, to increase its attractiveness, to cooperate with the fraternal communist parties, peoples, and states on a higher level.

Life requires that society, the economy, and other spheres be moved onto a new path of development. We should abandon the well-used and dead-end paths of extensive, quantitative growth and administrative style of work, and set out decisively on a path of efficient and democratic management of social processes by means of political, economic, and legal regulations. Implementation of a principled social restructuring is not a one-time matter. It has its stages, its short-term and long-term aims. But our country has no other real alternative for development. To remain with what we have achieved, to stop half way would imply stagnation, threaten the values of socialism and revolutionary advantage, and cause a loss of speed, as well as of the trust of the people. It is only on the basis of the revolutionary program of restructuring that we can safeguard the honorable continuation of the cause of February 1948. It is only by boldly marching forward that we can honorably compete with the world, come to terms with today's demands of scientific-technical and social progress, safeguard a good future for the country, and provide a positive perspective to our peoples. All this will place significant and in many ways exceptional demands on our work. We are taking this into account and not forgetting it.

The time of a careful wait-and-see attitude, of mere declarations of intent and appeals, of carefully waiting for pure programs and appeals, of accumulating general resolutions, of postponing things, and relying on others, is over forever. Inactivity is the greatest and most dangerous risk. It is high time to start to act carefully and powerfully. We do not underestimate the possible risks of mistakes. However, we are firmly determined to put them right resolutely and in good time.

We appreciate that the majority of the public accepted the appointment of the new government with understanding and consent. We know that the support of the people cannot be won by pure cadre changes and by rejuvenation. However, without it constitutional duties cannot be fulfilled and the tasks ahead cannot be mastered. Therefore, we are emphasizing the preparation of the right program and its thorough implementation. We do not want to promise anything that cannot be fulfilled. At the same time, we cannot set modest aims. The strength of our country and the greatness of our people have never been geared to the size of its territory, the abundance of minerals, or the size of its population. We have always had to overcome feelings of being small and weak by setting high goals for ourselves, by using our ability to bring all resources into motion. This has made us famous in the past and this is also required of us at the present time.

We are not setting ourselves the goal to evaluate the implementation of the policy statement of the previous government. When the current situation was analyzed it was found that the roots of the causes of existing problems are deeper and have a longer-term impact than we assumed. It was impossible to carry out in 3 weeks a general analysis of the overall situation or to come up with a comprehensive program for the development of all spheres of our public life—a program worked out thoroughly and comprehensively. The Federal Assembly

and the general public have the right to be fully informed about the real state of affairs. Without a multifaceted analysis the government itself is unable to implement its role and duties responsibly. Therefore, in the first months of next year the government will provide a detailed analysis of the economic situation.

We do not underestimate the complexity of the current situation. We are aware of the hopes, expectations, and desires of the Czech and Slovak nations, of all inhabitants of our socialist homeland. We know that the general public expects from us an urgent and firm solution of issues, which, often quite superflously, makes work more difficult and life more bitter. These solutions were critically discussed by delegates and addressed at the all-union conference, at the latest Central Committee session, at sessions of organs of the National Front and of the political parties affiliated in them, at mass organizations and interest clubs. They are also contained in criticism of the media as well as in the complaints of citizens to party and state bodies— citizens who are concerned about disorder at workplaces and localities, about problems with supplies to enterprises and to shops, about serious shortcomings in housing management and services, about securing a sufficient supply of good quality protective labor devices, about dealing with official matters, and many other things.

I want to assure you on behalf of the federal government that we are dealing with all these matters with full responsibility.

"We do not intend to promise that which cannot be fulfilled. We are struggling against a number of difficulties of both an objective and a subjective nature. We are aiming our efforts to find our way out. There are no reasons to doubt that the tasks can be coped with. But we are unable to make quick headway on the entire front. However, we have enough ability to make headway at least in certain directions and in selected spheres. And we are convinced that this is possible. This is why we will stress the urgent transfer in each management link from mere criticism of weak spots, from registering problems and listing the difficulties, to the quest for and identification of specific ways out and to practical steps forward. There are great potentials and considerable reserves. And it is precisely at setting these in motion that we shall direct our efforts first of all.

We are not basing our conviction about the rightness of the path that we are following on pure wishes. We are standing firmly on solid ground. We know about the element of predetermination in our course. Inertia in economic and organizational structures still has its influence, as does the strength of conservatism in the management sphere, and widespread laziness and self- satisfaction. Deeply rooted dogmas and stereotypes represent a difficult barrier. The determination of the people to change the current state of affairs, their natural interest in living and working better, along with a significant economic and spiritual potential, however, make us look into the future with optimism.

We are submitting to the Federal Assembly a policy statement about the proceedings in the transitional period. Along with tackling the specific needs of the life of the peoples, it has the long-term aim of creating a new strategy of economic growth, of developing society in a qualitative way.

The importance of these decisions oversteps by far the framework of the next 2 years. With them we are beginning a new stage of socialist history in our country, we are giving socialism a new face and creating prospects for coming generations. We do not doubt the goodwill and patriotic determination of all honest citizens to face these problems.

The government is aware of its duty to account for its plans, actions, and steps. We know that our work will be judged critically and by high standards. We do not want to hide or simplify anything. The sense of truth is one of our nation's permanent values, verified by history. In the spirit of these progressive traditions we are determined to provide proofs of the justifiability, usefulness, and justice of the chosen path in the form of facts, actions, and results.

Comrade deputies, the aim of the policy statement is to improve the working and living conditions of the peoples. This is the main sense and purpose of our effort. We are concentrating our strength on the most important directions and key problems. We see the line of action of this document mainly in concentrating thoroughly on a number of chosen priorities. We do not find it necessary to speak about all sides and spheres of our activity, to provide a detailed picture of the proceedings of individual departments. We reckon that through the media individual ministers will inform the public about the specific plans for implementation of our programs in their respective spheres and about the course of their implementation.

We stand firmly behind the program of revolutionary social restructuring worked out at the latest Central Committee session and supported by the entire National Front. We say openly, with all emphasis, on behalf of doubting voices at home as well as abroad—our program is speeding up, not slowing down nor even halting reforms. We are determined to speed up the transition from obsolete concepts and mechanisms, obsolete methods of management and ways of thinking toward new, more efficient ones. We are led toward this by concern about the future of the country, for a rich and happy life for the people, to safeguard an honorable place for our peoples in the common European home. We consider the most important step in this direction to be a rapid transition of the entire national economy to conditions

of the new mechanism. We will do everything to make this possible as of 1 January 1990—a year earlier than originally envisaged. This will be an exceptionally complicated matter.

Obviously, we will not be able to avoid some makeshift measures. We are led toward this serious decision by the attempt to shorten the period during which the old method of management concludes while the new one has not yet begun to have an effect. We need to gain a head start for the economic organs and labor collectives to be able to get ready, as well as possible, for entry into the new conditions of management of the 9th 5-Year Plan. We also see in this a way of efficiently mobilizing considerable reserves, gaining new resources for the production and nonproduction spheres. The strength and mass basis of socialist conviction in our country have traditionally been based on the gains of social policy. The system of remuneration, social security, education, and health care has for many years rightly ranked among the proud achievements of our state as well as among the practical proofs of the advantages of the socialist social system.

It is true, however, that some unrealistic ideas, ideas connected with the skipping of stages and with an idealized view of social development, have also surfaced in these sectors. All the more serious is the criticism of the worsening situation in this sphere. The extensive method of development coupled with administrative management by command, the inefficient structure of production branches, and the low level of their performance have erected serious barriers to faster progress in this area. Social policy has gradually been losing the role of a strong and efficient instrument to interest and motivate the people.

The government is in favor of fully renewing all the economic and humanitarian functions of social policy, strengthening its democracy and justice. We are also seeking to place greater emphasis on the principles of merits and purposeful differentiation, and on limiting egalitarian, purely consumer trends. We are against a disproportionate extension of social consumption, above all where it weakens the interest in increasing income from work [pracovni duchod] and creates a breeding ground for parasitism.

We will have to consult with experts and with the public about the reasons for the abuse of some social measures and socialist advantages. They are not caused by imperfections or even by faults in the social care structure, but by its inconsistent, stereotyped application. We are not forgetting the social problems of some groups of citizens, in particular pensioners and families with low incomes or small children, and we want to create prerequisites for their gradual solution.

Diligence, common sense, ingenuity and craftmanship, organizational talent, a sense of justice, and rationalization—these are among the recognized abilities of the majority of our population. The system used so far of management by administrative directives, the birth of the so-called shadow economy, the payment of unearned income, and the abuse by producers of their monopoly position and diktat for producing poor-quality goods have impaired these deep-rooted traditions. We are convinced that the application of self-financing, the creation of conditions to overcome the egalitarian approach and the promotion of initiative will make it possible to overcome this state of affairs in the not too distant future.

We are putting forward a program of greater dynamism in social and economic development. The national economy needs to be sped up, to start in new conditions. Certain prerequisites are necessary for this. However, the allocation of additional funds, or their redistribution, or an increase in investment is not the right way. On the contrary, the limitation and concentration of resources into selected areas is what we require.

We cannot reckon with the further purchase of energy and raw material but on the contrary we must concentrate on their much higher valorization. The former path would naturally be simpler and would involve less conflicts, but we cannot afford it and it would not bring anything good. As a result of the high degree of exhaustion of material and financial funds there is no way other than a speedy change toward a more effective, and at the same time, more efficient economy. We have a very short time to implement it. The better use we make of time, the less we will need for the application of the individual elements of the new economic mechanism, and the earlier this orientation will bear fruit.

Therefore, we ascribe the greatest importance to the need to create at all levels—in enterprises and at the center—the necessary resources for a speedy implementation of structural changes. This will involve a gradual transfer of proportions between basic national economic complexes; it will mean a new delimitation of export areas, a substantial augmentation of the production of some and the reduction of other types of products. It is natural that this will have to be accompanied by a principled reassessment of the place and direction of the scientific-technical base. What is involved is not only a change of the branch structure in favor of services and transition from standardized products toward technically more demanding ones including highly valorizing qualified labor, but the creation of thrifty economy of resources. This type of national economy is the only prospective way out. It is only under these conditions that we can seriously think about achieving a living standard which is comparable with the most advanced European countries. In the past we only talked about the need for such profound and costly measures, influencing in the long term both the economy and the standard of living of the people. We paid for this dearly and will pay in the future. Evidence of this is also seen in the experience of the working people with worsening material technical supplies, as well as with many breakdowns in relations

between supplier and consumer. This is reflected negatively in the rhythm of production, in the quality of products, in the organization of labor, as well as in actual earnings. It has serious consequences for the political atmosphere and for the overall satisfaction of the people with their working conditions.

The government praises highly the dedicated effort of the working class, the labor collectives of Prague and other factories, to honorably come to terms with the tasks of the plan even in such difficult conditions. The determination of the working people to overcome these difficulties represents an irreplaceable contribution toward the creation of resources and the improvement of the entire economy.

We have discussed the justified criticism of the breakdowns in supplies of certain goods. In the past few days we have made a number of decisions to overcome the shortages of certain kinds of goods. Such measures are considered extraordinary and temporary. In the future the center will not solve the problems of production and commercial organizations, but it will strictly attribute responsibility to the employees concerned.

We consider the prevention of shortfalls to be the basic path toward lasting improvement. One such measure is to limit exports with the framework of tourism of selected kinds of goods which are in short supply from 1 December of this year. By this decision we are partially responding to the often repeated complaints of the population, and we are convinced that this will be accepted. The plan for next year stipulates export measures which must not come at the expense of supplies of necessary products to the domestic market. Supplies to the domestic market must be a priority for enterprises manufacturing consumer goods, regarding both volumes and the necessary range.

National governments will also have to adopt effective measures to ensure considerably better supplies of building materials to the population. In the interests of obtaining new equipment and technology to enrich the home market we shall also follow the path of a broader use of reasonable, mutually advantageous credits.

In this connection we appreciate highly the contribution of our agricultural workers and of workers in the food processing industry in ensuring stable supplies of foodstuffs to the population. We appreciate the results achieved in this year's cereals harvest. We must not, however, forget the weak points, above all, the high costs and other things. With respect to agricultural land and its fertility we are not behaving as caring and wise masters. In the interest of rational nutrition we shall strive for a transition to a healthier composition of foodstuffs, to improve processing of materials and to offering a wide range of products.

The government is aware of the seriousness of the tasks which it is undertaking, we know that the satisfaction of the population, and in many respects also the functioning of our entire economy depends on it.

The improvement of the situation in the domestic market is not a matter of a month or a year. But we can and must change in the course of 2 to 3 years. In this connection we stress the inadmissibility of unjustified increases in retail prices and of the reduction of production of cheap goods for which there is a large demand. This is why we will strengthen the management and control of prices and we will draw strict conclusions from violations of set principles. We are proceeding from the fact that the retail price policy has to correspond to tasks aiming to increase the living standards of the population, to implementing more justly the principles of social justice and to stimulating highly productive work.

We regard the unity between economic and social policy, the active utilization of the entire mechanism of the creation and exploitation of resources as a permanently valid principle from which we will not back away. For this reason, we are not satisfied with the falling rate of growth in the national income in recent months. We will not orient the economy toward growth at the expense of deepening the imbalance in our national income. No one can get away with anything; no one can be excused from fulfilling planned tasks. We have the right to demand that the enterprise sphere start working in a new way.

What are the instruments available for the government to stop the long prevailing negative trends, to overcome stagnation? Above all, this involves leading enterprises more efficiently toward preferential fulfillment of the qualitative indices of the plan. Overfulfillment of the volume indices at the expense of an increase in production costs and supplies is a waste of social means and a serious infringement of planning and state discipline. We will act resolutely against the old practices of fulfilling the plan at such a price. The basic criterion of the work of every department and every enterprise must be to safeguard the needs of society in a given sphere, to safeguard the necessary value as well as the profit achieved, and the actual contribution to the benefit of the people's satisfaction.

The growing signs of difficulties in the fulfillment of the plan in the current year and the serious problems in preparing the plan for next year require urgent rectification. We cannot wait for the new mechanisms to start working. It is inadmissible to come to terms with other shortfalls inasmuch as this would seriously jeopardize the introduction of the new economic mechanism. That is why we must absolutely refuse the old "give me more" approaches toward the plan, the cheating as far as the interests of the entire society is concerned, and the irresponsible attitude toward the needs of the consumers. We know that the current conditions still enable such behavior by enterprises. However, this cannot be an excuse or an apology. We are determined to proceed in

an uncompromising way against such attitudes which seriously damage our entire national economy and weaken trust in the economic policy of the party and the socialist state. Speculation at the expense of the state, the conscious hiding of reserves, cheating or even cooking the books—these are incompatible with holding a leading managerial post. We are saying this openly and we will also proceed accordingly. We insist upon the personal responsibility of everyone for the fulfillment of the duties arising from their positions, as well as for the results of the work of the collectives under them. We cannot forgive anyone anything as far as this is concerned. We do not intend to come to terms with excuses any longer.

The trend toward devoting more time and energy to explaining the impossibility of fulfilling tasks rather than tackling tasks is being justly criticized. We will no doubt find a common language with those who oppose such harmful practicse and we will give them full support.

Esteemed comrades deputies, the domestic and external conditions are changing fast, but our economy is adjusting to this too slowly. Evidence of this is the inappropriate production input and too high labor-intensiveness.

I would like to demonstrate this with the example of labor force management. According to the enterprises we are short of 200,000 workers. In the case of economic utilization of the capacities where there is multishift production this would be as much as 750,000 people, whom we do not have, of course. But in no case can we make headway by raising the numbers of workers and thus lowering productivity of labor and production efficiency. By doing this we would enhance extensive factors and we would further reduce labor productivity and the efficiency of the national economy. The consequences of this would limit the possibilities of modernization projects and of purchasing advanced technologies. This would negatively influence the development of the standard of living. We stand for more and better paid work with less people and more productive equipment. The cult of conscientious and skilled labor will be beneficial for the national economy, for the enterprises, and for individuals.

The question is often asked: From which end should we start untying the complex tangle of economic problems? We are beginning to change the economic mechanism and to create conditions for production relations to play a more active role. As the Soviet Union's experiences show, the wider utilization of the great potential of socialist ownership, various shapes of individual and collective interest, and thorough and creative implementation of financial autonomy principles represent quite a considerable reserve. Its mobilization makes it possible to gain considerable funds for embarking on the intensification of the national economy along a broad front. A lasting turn toward greater efficiency requires that we embark, in the shortest possible time, on a course of basic structural changes based on the most progressive trends of scientific and technological progress. The horse must not be lame even in one leg in the race against its rivals and against time. And this applies to the whole national economy, too. This cannot develop effectively without unified action and basic harmonization of the interests of people, effective management methods, modern structure, and the necessary scientific and technological background. The government is convinced that the program of renewal of the economic balance has a chance of success only on the basis of successfully coping with the requirements of the economic reform. Much has already been done to restructure the economic mechanism. But even here we must act more decisively, in a more consistent way, and without unhealthy compromises. This also concerns some decisions on organizing the production and technical base.

We reject the attempts aimed at concentration [of the production and technical base] by administrative means, attempts at further raising the numbers of big enterprises. Here too, we do not back the mania for long-scale enterprises, which is accompanied by high administrative exactingness, cumbersome structures, and other damaging attendant manifestations of monopolization. The decisive factor is not the size of the organization. The criteria of propserity, of flexibility, and of speedy innovations are decisive. More attention has to be paid to the viewpoints of the labor collectives themselves. We still reckon that we will complete the restructuring of organizational structures of the enterprise sphere by 1 July next year.

Work on the complex restructuring of wholesale and retail prices, foreign currency norms, foreign currency funds, and customs has entered its final stage. Results will be evaluated in the course of the next year and the necessary amendments will be made. We do not consider this as one-off action, but we are counting on the continual updating of prices so that they can consistently fulfill their economic functions. The unplanned rise in wages and prices is a source of serious concern. The amount of finances in the hands of the state, of enterprises, and of the population must correspond to the scale of production and services. This is why we consider the restriction of inflationary trends to be one of the main tasks of currency, financial, credit, prices, and wages policy. In the interest of ensuring real wages we cannot permit nonadherance to the set regulations, a lack of discipline or of control. However, we do not see solutions only in administrative measures and in restrictive limits, but in the more active utilization of value levers. We will stand up decisively to the pressures to finance capital investment projects which cannot be used and which are not effective and to give credits to overly high stocks and unfinished projects. We attribute great importance to the question of money supply. We will also deal with the new rules for budget management first and foremost from the view point of restricting the excessive redistributive [prerozdelovaci] function of the central budgets—the federal and the republican budgets.

We do not want to overlook the fact that certain confusions and doubts arise around prices and currency issues. We want to preempt them and provide operative and wider information. I would like to state clearly from this podium that the conjectures about the preparation of some radical encroachment into the standard of living are absolutely unfounded and untrue.

We consider especially important the unambiguous definition of the relationship between the government and state enterprises. We will follow the path of creating equal and just conditions for all economic organizations. The unified and more objective criteria for differentiating good and bad managers will lead to a greater differentiation in the revenues of organizations and in the incomes of the working people in keeping with their merits. All will be given the same chance, but at the same time we will remove the bidding for the lowest possible plan, the lowering of tasks for poor performers, and the raising of tasks for the best enterprises. We will also lower the extent of redistribution processes. We will implement a very strict price policy, eliminate subsidies that cover up for mismanagement, and restrict exceptions from regulations to a bare minimum.

We will demand long-term prosperity of organizations which will have to earn money themselves for their development, for higher wages and other social needs. We are aware of the fact that enterprises do not have the same conditions for successful work. We reckon with the removal of the most serious differences. In justified cases, we will help organizations, but only if we are sure of permanent improvement. In principle, whether we like it or not, permanently loss-making production enterprises do not have the right to exist even in socialism. We will not interfere in enterprises' internal management. We will leave it to them how challenging the plans they set for themselves. At the same time, however, we shall force them, by means of the entire system of management, to be enterprising, and to behave in harmony with the interests of society. They have to convince themselves that it is vitally important for them to have modernization programs and innovation programs, and to have the necessary standard of in-house management and in-house economic accountability. It must be in their own interest to strive for world-standard labor productivity and utility parameters, for the ability to compete on challenging markets. Only then can they fulfill their mission successfully.

Foremen have an exceptionally important role in the management of production. Long experience has shown that despite a great number of decisions it has not been possible to select for these posts people with authority and qualifications, to give them the necessary financial remuneration and the necessary powers. A number of restrictions and rules which were of little use have been preventing this for a long time. We have rejected the idea of solving this matter by new directives. We consider it right to hand this matter over to where there is specific knowledge of the needs and the possibility to best assess conditions. And this is only in the enterprises themselves. If there is still something hindering and slowing things down then this will be only the fault of enterprise directors.

In the development of democracy, in the setting up of organs of socialist self-management, and in the election of senior managerial staff, we see an irreplaceble instrument of activation and utilization of labor collectives' formidable political, organizational, and moral powers. As in every new thing, here, too, we must not underestimate the danger of their being organized for their own sake, by fits and starts [kampanovitost], and formally. We expect that the democratization of management will strengthen the working people's interest increasing production efficiency, the high quality of products, and order in wages and norms. We also expect that it will lead to people's more mature attitude toward work and technological discipline.

Comrades! In connection with the preparation of the 18th CPCZ Congress and the concept of the future economic policy, including the Ninth 5-Year Plan, the State Planning Commission and the State Commission for Scientific-Technical and Investment Development together with national governments and federal resorts will submit an integrated project of structural changes. At the same time we are aware of the responsibility for ensuring the social certainties for working people in the relevant enterprises, including the preparations of their requalification. The scientific-technical development will be oriented in this direction. Aside from allocating not a small amount from the state budget, the central government will use suitable economic instruments to support short-term and highly effective innovation plan enterprises, which in new management conditions are creating the necessary means from their own resources. How usefully these means will be employed depends on the enterprises. It is up to them to decide to follow the path of their own research and development or of international cooperation, or if they decide to import the new equipment and technology.

Many of our economic managers still hold the view that their technical and economical production standard is sufficient and that they can continue to make do with it. This serious mistake and unhealthy complacency must be overcome as quickly as possible. Consequences of the low efficiency of the entire production process must no longer be transferred anonymously to the whole society, but must fall fully on the specific producers. There must be a more significant link between the scientific-technical development and planning and the management of the investment construction.

It is well known that we are currently investing approximately 30 percent of the national income, which can be compared even with the most advanced states of the world. However, all the same, we are far from satisfied with the results so far. The concept of the investment policy must become one of the effective instruments for

implementing effective structural changes and modernizing the technical production base. We face a challenging task to balance the demand for investment with the suppliers' capacities. We expect that the necessary turn in the whole development of efficiency of production, basic funds, will be contributed from the results of a check into investment projects of the 8th 5-Year Plan. A special federal government commission is now concluding this check.

Concerning the fuel and energy policy, we intend to assert more consistently the fuel and energy rationalization program and thus considerably restrict the growth of consumption. Structural changes in the production sphere and in the sphere of fuel and energy sources will contribute to this, assisted by federal economic instruments. When making decisions about alternative investment projects, we will give priority to those which best reduce energy consumption. We will focus on the construction of central sources of heat. We want to start without delay drafting a concept of a resource-saving boiler economy—we have been dithering with regard to this problem for more than 30 years.

The government will strive to reduce the proportion of investment in nuclear power stations, while increasing their safety and using them to supply heat as well.

Our aim in scientific-technical development, in a more intense process of innovation, is to lean toward the opportunities for joining in the international—primarily the socialist—division of labor. We will continue with the positive results of the multilateral and bilateral cooperation with CMEA member states. It will be necessary, however, to overcome the old administrative approaches and adopt a new quality of cooperation, management, and nontraditional forms of contacts.

The government will actively and consistently approach the implementation of the conclusions of the 44th CEMA session and in particular the collective conception of the international socialist division of labor for the years 1991-2005 and large-scale scientific-production and technological target projects. We support the restructuring of the integrational mechanism, and we stand for the gradual creation of a unified socialist market. Broad and mutually advantageous cooperation with the Soviet Union has a decisive place in our external economic relations. The forms and methods of cooperation up to now, however, are no longer sufficient. We are drafting the orientation aimed atzqualitative, future changes in the conception of economic and scientific-technical cooperation between Czechoslovakia and the Soviet Union over 15 to 20 years. We will pay attention to the development of direct contacts, to the construction of joint enterprises; we will emphasize real economic contributions. The recent negotiations with the highest Soviet representatives confirmed their understanding of our problems. On the basis of the agreement which was adopted, we will draw up specific proposals for the negotiations at the beginning of the next year.

We are not satisfied with the present volume, structure, and efficiency of our trade with the nonsocialist countries. We will aim our efforts at extending our economic relations with advanced capitalist states. The normalization of relations between the CEMA and the EEC makes it possible to invigorate our contacts with these countries. We are also interested in deepening cooperation with the developing countries. In external economic relations we will push through a balanced development of the foreign currency standing of the state, which will lead to a substantial increase in the export potential of the economy and to securing returnability of foreign currency.

The insufficient dynamic in the creation of funds is unfavorably reflected in the social sphere. Here too, we are expending considerable funds. But from the viewpoint of proportions and ways of distributing them, and in particular from the viewpoint of what we are achieving, we must discuss many things anew. The habit of emphasizing the importance of the social sphere verbally, while consigning it to the so-called leftover sphere by means of the plan, is also having a damaging influence here. The restructuring of social policy requires that we halt production for its own sake and impart to all economic plans their pronounced social direction, so that they will truly represent the priority of the entire endeavor.

The insufficient extent and low standard of the majority of services is one of the areas which has for a long time been lagging behind. Although the situation is improving, the progress which is being achieved is still slow. This is why we will support each rational proposal to further extend the offer of services and to development its various organizational forms. The government will also reexamine suitable ways of better utilizing economic levers in extending the services rendered by individual people. Many capable people are still hestitating about whether they should enter this sphere.

We are advancing the sincere offer to all honest artisans to help develop services in this way, including after their working hours. We assure all of them that their activity will be welcomed and that we will adopt economic and legal measures in their support. We will also raise the number of apprentices in the traditional artisan fields. We will reexamine the purposefulness of the current tax burden, so that it will not restrict but stimulate this form of labor activity. Legal guarantees, social and political security, and the position of the citizens who enjoy full rights will be created by the Law on Small Enterprise, which is being drawn up. We consider the uniting of skills and enterprise as one of the creative forces, which has to be utilized for the well-being and benefit of society. In the conditions of the decisive role of public ownership and the rule of the people, protection of the interests of this group of working people is in keeping with the needs of society. The same principle, which is valid elsewhere, relates to earnings. Justice does not lie in the scale of remuneration, but in whether it has been

truly earned and truly deserved. In close cooperation with the republican governments we will target our efforts at a further improvement in the quality of and in expanding the material and technical base of domestic and foreign tourism. In order to implement this intention we are going to make more use of the foreign currency funds gained for the services rendered to foreign visitors. We will also discuss the proposals to simplify the administrative stranglehold over trips abroad and we will enable more frequent trips by citizens.

The government will pay firm attention to regulating the development of wages in dependence on increasing social productivity of labor. The growth of wages must be based on the enterprises' economic results in accordance with the principle of pay according to merit. This, too, is the way leading to the elimination of wage egalitarianism in the work places. In the spirit of the principles of the new labor code, we will assist in this by simplifying wage regulations. We consider it necessary to deal with the causes of the growth of the population's income which are not in keeping with the plan or with output. We also intend to make the earnings tax system and other taxes on the population's income more effective in order to enhance their unity, simplicity, and social justice.

We also plan a basic discussion on working and living conditions problems. It will be necessary to place a greater emphasis on adhering to safety and health regulations. We demand the speedier elimination of shortcomings in the quality and range of personal protective work gear, a reduction in the number of high-risk jobs, and the further development of company health care and company catering. In tackling the social development tasks, we are also expecting greater initiative from the enterprise collectives. The overall situation in these spheres will be assessed jointly with the Central Council of the Trade Unions, and the necessary measures will be adopted.

We want to reflect the growth of the average real income of the economically active population in the pension system. In the 9th 5-year plan we want to introduce a system of regularly amending the size of pensions to wage increases based on the created funds.

The protection and the improvement of the environment represent an increasingly more important part of the standard of living and one of the main priorities of the socioeconomic program. The approved conception will be worked out, and in the interest of a speedier turn for the better, we will also seek new possibilities. Ecological viewpoints will be one of the basic criteria for the structural and technological changes in the power industry, chemistry, metallurgy, and other industrial branches as well as in agriculture and transport.

We will not allow the means allocated for ecological projects in the 8th 5-Year Plan not to be used up for one reason or another. By reducing energy-intensive productions, by thoughtfully developing nuclear power generation, and by more greatly utilizing natural gas, we will lay down prerequisites for gradually reducing the extraction and consumption of coal for energy. The protection of the environment must become a priority for the whole managerial system from the center to enterprises, national committees, and other organizations. We will concentrate on means of reducing harmful emissions from power stations and large heat plants and on making use of cooperation with advanced countries. We will focus on the most threatened areas—Prague, North Bohemia, Bratislava, and some other locations—in the Czech lands and in Slovakia. By increasing the use of gas, above all by small consumers and in households, by further developing the central heat supply system, and by constructing desulfurization equipment in large coal-burning power stations, we will improve the environment as a priority in those areas.

The implementation of the state housing construction policy also requires a new examination. Much is obsolete here. A number of regulations is an obstacle to a better utilization of the housing stock. The satisfaction of citizens' needs in this sphere is the subject of justified criticism and evokes considerable dissatisfaction. We consider the checks on management of the housing stock by organizations of the housing economy and housing cooperatives to be a priority task which must be dealt with immediately. Working out a registry of apartments and houses and its constant update will create a prerequisite for its better utilization. We face a problem of examining the share of the state and of citizens in the maintenance and repair, of finding a way for more differentiated use of economic and social criteria in rent payments and the removal of unjust differences in the cost of living in state, cooperative, and individual housing. We insist on even planning of the comprehensive housing construction in the individual years of the 5-year plan, on better utilization of suppliers' capacities, on the smooth supply of material and technical facilities, on observation of budget costs, and on the quality of the work carried out.

The system of the new economic instruments must focus on supporting investors' and suppliers' initiative, responsibility, and material interest in the quality and timely completion of the comprehensive housing construction. Situations where day care centers, schools, shops, and other public amenities were completed many years after citizens have moved to new apartments must not be repeated.

We give challenging tasks to urbanists and architects who, when working out the plans, must take more into account users' needs. We will also increase the future rent payers' share in the construction of flats and focus on constructing flats without interior fittings. We will thus make it possible for citizens, while taking a direct

economic part, to be able to decide on the standard of its fittings when the apartments are being completed. We will support the enterprises of local economies and the cooperatives' development of services connected with housing by utilizing accessible capacities and by creating new capacities.

The territorial organs must create conditions more decisively and stimulate the reconstruction, modernization, and maintenance of the housing stock. The participation of enterprises in solving the housing problem could also be much greater in future.

We shall support individual construction and the sale of flats for private ownership. We plan to construct flats and family houses in selected border areas where we shall broaden the scope of work opportunities and improve services and living conditions generally.

This year, in cooperation with national governments, measures will gradually be adopted to solve serious problems in the public bus and city public transport, above all, in transporting people to and from work. In the rail transport of passengers we are taking steps toward an accelerated improvement in conditions for travelers and the standard of services offered. We shall also prepare a concept for the development of general railroad transport and a draft bill on CSSR state railways.

Our communications must also improve the quality of services provided in order to meet society's communication and information needs. In connection with this we shall discuss the long-term program for the comprehensive development of communication which embraces the creation of corresponding conditions for the material-technical base. We see this as part of the improvement of the technical infrastructure as a whole.

Much concern and criticism is expressed about the bad and often criticized state of health care for the population. Party and state organs have dealt with these questions several times recently. At present we are preparing operative and long-term measures for a fundamental improvement of this situation. The time is ripe in the whole complex to examine the conditions, needs, and potential in the care of people's health, to approach the detection and mobilization of internal reserves in our health care in a new way. In the remaining years of the Eighth 5-Year Plan we want to ensure the most urgent needs of health care in terms of the necessary financial, technical, and material sources, including the needs of the pharmaceutical industry. We shall embark on a course toward increasing the citizens' contribution to the care for their own health. We must start a more purposeful arrangement of the health facilities network, a better allocation of modern, expensive equipment, a more flexible distribution of medicines and medical material, and the removal of obsolete regulations. In the interest of considerably improving supplies of more and more expensive medicines and better utilization of them, we shall have to review the existing system of allocations. We must look for ways to increase the share of health care to meet its own needs so that it is not dependent on subsidies from the state budget to such an extent.

Successful traditions and the great potential of medical science, medical cadres, and the considerable capacities of medical facilities bind us to resolutely overcoming the existing shortcomings.

Comrades! We are aware that the entire government policy must be economically supported. However, this does not exhaust our influence, responsibility, and authority. We must also bear in mind the care of the entire superstructure, the development of socialist democracy, and the perfection of the political system. Only by unifying all this part of government policy can we make our society more economically effective, more democratic, more socially just, and more humane.

In the interest of the further development of socialist democracy we shall support the activation of the National Front and the political parties, mass organizations and interest clubs affiliated to it. We place special importance on deepening cooperation with the Central Committee of the National Front of the CSSR. We intend to extend the well-tried practice of informing the top bodies of the National Front with consultations on the economic and social policy; we plan to extend the consultations on the preparations for important measures and make better use of their proposals.

As a follow-up to the statewide all-union conference we must deepen the content and the forms of cooperation with trade unions which represent the working people, for without them it is impossible in socialism to fulfill the function of the role of the state.

We continue to regard the fundamental form of cooperation as being the joint talks between the Presidium or Secretariat of the Central Council of Trade Unions and the the government or its Presidium.

We put a special emphasis on substantially enhancing the role of young people in the process of accelerating restructuring. Without their immediate participation in the creation and implementation of economic policy, real work with young people cannot be spoken of. The methods used so far of only acquainting them with our decisions is not the way to make them active and responsible. We do not want to confront them with accomplished facts but we want to consult with them on the issues of work and studies, of the administration of state and also the use of leisure time for cultural, technical, and physical activity. We face the task of formulating a unified concept of state policy toward young people and of giving it a legal foundation.

We all recognize and speak of the role of schools in the education of new generations. This is irreplaceable. In this area too, however, until recently we saw more

proclamations and assurances of good intentions than real changes for the better. There were more in the form of different decrees and guidelines than of real help and principled solutions of specific matters. The government agrees with the general view that the practice so far cannot continue.

We appreciate the real care of parents and of the general public to attain a good standard of preparations of young people. Our citizens are not indifferent to the fact that the authority of schools and teachers has fallen. The prestige of education is decreasing; administration, formalism, and mediocrity are increasing. They rightly demand that the joy of learning be returned to classes, that lessons become creative, and that schools once again become centers of social, cultural, and sporting activities. The country of Commenius cannot set itself low and overcautious goals. We cannot accept the loss of positions in this key field of the struggle for the future. We are glad that deputies in all levels of representative bodies, including the Federal Assembly, are of the same opinion.

The situation in education and in particular, in specialized education, belongs to the issues which are most frequently discussed and most criticized. At the present time, the national ministries of education, physical education and youth, are working out a program to eliminate the shortcomings which can be dealt with in the nearest future. We need a highly educated, cultured, and morally and physically healthy youth. We stand for exactingness but we are against overburdening. This is why we demand better adaptation of the contents and methods to the age and mental standard of pupils and students.

We are not underestimating the importance of the problems in the material and technical base of education either. We are completing solutions to the problems of management of vocational training schools and the introduction of an effective life education system. We are aware of the fact that we owe a lot to raising the social position of a teacher. One of the upcoming sessions of the party Central Committee will deal with these questions in detail. Based on the results of the critical analysis of the educational and upbringing system, it will set out for our educational system a program to fundamentally raise its quality to the level of the requirements of restructuring.

We include among the important spheres of social policy consistent care for the family and for the conditions to fulfill its social mission and adhere to the duties of society toward it, not only from the viewpoint of women's employment, but also from the viewpoint of preschool education, housing, and social conditions for young married couples.

In cooperation with the governments of the republics we are aiming our efforts at the consistent implementation of the conclusions of the 10th session of the CPCZ Central Committee in the field of culture and the arts. We shall give our support to the efforts of creative artists aimed at engaged and artistically and ideologically valuable work. We are undertaking those tasks connected with the urgent need to modernize the material-technical base of culture polygraphy, radio, and television. In this section, too, it is necessary to utilize all funds in a most economic way.

We are approaching in a sensitive way the justified religious needs of believers and the church, which are guaranteed both by the Constitution and by the law. We are concerned that their provision strengthens good relations between the state and society. At the same time the government will stand up to those forces from abroad and at home—and it counts also on the support of believers and the churches in this—who would like to abuse faith or churches for violating public order and for political attacks against the state.

The experience of former attempts at economic reform confirm that it is not possible to mobilize public opinion and invigorate labor collectives only through an improved economic mechanism. We consider that the basic issue is the implementation of a political approach to economic matters in the unity of material and moral incentives, higher labor output, and more just distribution. Deep intervention into the management mechanism requires a fundamental change of political climate in the country, creating an atmosphere of creativity, initiative, and support for innovations and enterprise.

We are facing the task of ensuring organic interconnection between the economic and political reform. In the political sphere, the necessity to overcome the administrative-command system is no less important [than in the economic sphere], although it is more complex and sensitive in many respects. This will require a consistent adherence to the principle of a unified procedure from the top and the bottom, and a parallel implementation of the basic changes in the content and the style of work, both on a federal level and at a basic units level. At the same time the higher bodies must give guidance to the lower ones, not by publishing numerous resolutions and detailed instructions, but first and foremost by a convincing and graphic example from above, by the standard of knowledge and analyses, by the quality of adopted decisions, and by the consistency of their control.

Recently we recalled the 70th anniversary of the rise of the united Czechoslovak state. Once again we realized the number of bonds and ties by which history connected the lives of the Czech and Slovak peoples and of other nationalities. Mutuality has its deep roots and we, the Federal Government, shall do everything in order to deepen it so that both our peoples contribute their best toward the common treasury in the sphere of science, technology, economy, and culture. The differences which arose in history have in essence been overcome. The matter now is that the federative order of mutual relations between the Czech and Slovak peoples functions in

the most efficient way. We shall aim our efforts at attaining the best possible results in the economic and social development of the individual national republics and of our common state.

In close cooperation with national governments we are going to fully contribute to developing the role of national committees as a basic link in our political system. In the informal enhancement of their representative, power, and administrative functions, we see one of the main paths for democratizing the life of our society. At the same time we consider as decisive the creation of conditions for a wider development and the activity of the basic ranks of national committees in the villages and in the localities. At issue will be the strengthening of their political influence among people and for people, the removal of bureaucratic red tape and unnecessary paper work, and the removal of everything which hampers the democratic implementation of all their functions. We want them to be a school of self-management on a mass scale and toward this they also have at their disposal the necessary economic base. We stand for the enhancement of their own income. We consider it necessary to introduce such a system of management which will, to a great degree, rest on utilizing the principles of self-financing.

We shall strive for the confidence of citizens and lean upon it. We have joint aims and a unified interest: the prosperity of and a happy future for our homeland. However, we do not want to evade constructive criticism and shall be grateful for all constructive advice. We do not refuse alternative proposals and variant solutions. We believe that the existence of differing opinions and the application of socialist pluralism does not weaken the state. On the contrary, it makes it stronger. We intend to exercise governmental powers efficiently and democratically. Nobody should, however, see in that a lack of decisiveness and weakness. Nobody should reckon with giving in to threat and demagogical pressure, with passive disregard of attempts to violate the legal code, and of disrupting constitutional institutions. We shall give a fitting answer to attempts by internal and foreign hostile forces to destabilize and impair our socialist system. It is a topical and permanent task of the government to be oriented toward the strict observance of law. We adhere to the principle that democracy and safeguarding civil liberties necessitate the unity of rights and duties, including those of order, discipline, and observance of the law. This concerns everyone, in particular the leading officials of state and economic bodies.

We will give comprehensive support to the efforts of those working in criminal proceedings—security forces, prosecution bodies, and the courts—for a vigilant and thorough protection of our system, of socialist and personal property, the law and public order, and the rights and liberties of citizens.

Provisions on the protection of state secrets will be amended with the aim of limiting the extent of official secrets, and at the same time to secure their more effective protection in harmony with the conditions and needs of our time.

We aim to deepen our cooperation with the Federal Assembly, to which the government is held responsible and must regularly account for its activity. There is an extensive joint task before us: to implement an extensive legislative program. In the interest of creating conditions for a thorough discussion of these issues in comittees and with electors, we want to make an even better use of some nontraditional ways of proceedings, for example, to assess legal documents in cooperation with representative bodies while in the preparatory stage. We shall forcefully promote the increase of content and formal quality of legal codes, while at the same time limit the number of various guidelines. We shall simplify legal regulations with regard to economic processes and abandon issuing legal norms where it is superfluous. The government believes in the continuously valid principle that the state is best governed when it leans upon a small number of precise, intelligible laws which are valid for a long time, and at the same time ensures their strict observance.

The preparation of the Constitution is one of the priority tasks of the current stage of restructuring of society. In connection with this fact, it is already necessary today to prepare an extensive program of legislative work because the principles of new constitutional amendments will be reflected in all spheres of legal code.

Besides extensive legislative projects, the government shall adopt various specific measures in various sections of the state administration which will have to produce results in the near future. This concerns, for example, simplifying citizens' contacts with various organs, or applications for various documents needed by state organs. We shall take more decisive steps in the struggle against incomes from dishonest sources. In this we expect to have the support of all honest citizens, the entire National Front, and the state organs.

In the sphere of foreign policy, the federal government sees its main task as creating more favorable conditions for the peaceful development of our socialist homeland for a successful implementation of the process of restructuring and democratization. The basic goals are known and permanently valid. We consider it our duty to contribute by our activity to the process of relaxing tension, disarmament, building trust, and strengthening security; to continue to develop constantly and make irreversible the spirit of the new political thinking in international relations; and to strengthen more and more the broad international cooperation in solving all the global problems of the present mutually interdependent and interlinked world. We shall continue to take part in strengthening the unity and close coordination of the Warsaw Pact's foreign political approach and in implementing the important peace proposals and the new disarmament initiatives of the USSR and other socialist

countries aimed at solving the key task of today: the aversion of war, both nuclear and conventional. Our contribution to building the common European home is the initiative to create zones of trust, cooperation, and good-neighbor relations on the line of contact between Warsaw Pact and NATO states put forward by Comrade Jakes, general secretary of the CPCZ Central Committee. Our foreign policy priority is relations with socialist states. The development of fraternal cooperation, firm alliance, and all-round cooperation with the USSR is of decisive importance to us. The international situation, despite some positive achievements, remains complex. This is why we shall continue to strive for a reliable ensurance of security and defense of the state in harmony with the principles of the Warsaw Pact defense doctrine approved by the Political Consultative Committee in 1987 in Berlin. In unity with these requirements and with the created sources, the federal government will continue to strive to increase the combat and political readiness of the army, its necessary provisions of cadres and equipment, the perfection of cooperation and the deepening of the alliance with the Soviet Army and the armies of the other Warsaw Pact states. We intend to use the considerable potential of the army more widely to service the needs of the civil sector—in construction, in transport, and also in other spheres in the future.

Comrades, deputies, to have a real home, to love the homeland and to identify with it by deeds which contribute to the growth of its wealth and beauty—this is the natural goal of all nations. The whole activity of the Government of Socialist Czechoslovakia is also aimed at this. We own up to our share of responsibility for the struggle against shortcomings, for softening the consequences of erroneous decisions, making unfulfilled promises come true, and infusing words with deeds. We cannot avoid the solution of exceptional situations either. In an organized society not all its members can do everything because, ultimately, no one would be responsible for anything. We do not want to, and we shall not solve things for others. Every one has what is his, what belongs to him. Socialism, state, and society cannot be blamed for mistakes made by individuals but they have to be able, however, to point them out, to outline ways to correct them and achieve a real correction.

Repaying the debts from the past cannot, however be the basis of our program. We consider the setting and assertion of positive goals, the enrichment of people's live and the country's wealth with new material and intellectual, works and values to be the decisive direction of our activity.

We stand in front of you aiming to be a government with comprehensive, realistic, and feasible goals. And toward this leads a path of consistent control and permanent organizational work. We reckon with difficulties, risks, and possible misunderstanding but we are, however, determined to resist, by facts and results, the destructive feeling of nonperspective, no way out, nonconstructive criticism, and unfounded worries.

The government is a collective organ, it makes decisions collectively, it is not a gathering of spokesmen and supporters of individual resorts. We do not weaken the responsibility of ministers for sections entrusted to them. Concrete results and the quality of government work will to a great extent depend on how each minister feels his coresponsibility for our activity as a whole. We know that we are not making decisions for today alone, we are preparing good conditions for other generations, too. We face a number of important, highly responsible decisions which will influence the life of this country for a long time. We are in favor of the most thorough examination of all concept matters, the widest possible utilization of the potential of science and practice. The method of consultation will enable us to establish informal contacts with representatives of science and culture and the broad public to verify stands and to obtain recommendations suggested by initiatives.

We appreciate both our technical and humanitarian intelligentsia. We count on it, and we will create the necessary conditions for its application, for a free exchange of opinions, and for broad creative activity. We advocate the closest possible cooperation of representatives of science, technology, and culture with politicians. We do not see their mission in elitist exclusiveness, but in a democratic sense of belonging with the people, with the peoples of our country.

As a government of the National Front we are striving to be representative of all the patriotic forces, all the honest people. That is why we aim at deepening the democratic spirit of our work. We are against unnecessary concealment, a closed door policy. We will further improve the system of consistent and open information to citizens, both concerning the work of the government itself and all important state and public matters. We are prepared to meet journalists more frequently, to increase our publicity, to lead departments and their managing employees toward active cooperation with mass media, toward a responsible relationship, toward criticism in the press, radio, and television. But we expect honesty, objectivity, and seriousness from them, too.

It is our aim to make the life of the people richer and more fulfilling, the meaning of all activities more joyful and fuller. That is why we put in first place mobilization of human resources, new thinking, enterprising actions, high standards of responsibility. For this we need a higher quality of social relations, more efficient systems of management, and a more demanding atmosphere. Without this, our latest technology and modern technical methods, the most advanced organizations would be of little use to us. We cannot do without improving morality; we cannot strengthen social restructuring with dual morality—one in

words, another in actions; one for the superiors, another for the rank and file—outward morality on the one hand, and morality in private life on the other.

The government does not intend to reconcile with lagging behind. It is our ambition to gain the best possible position in the competition of the states. We do not want to isolate ourselves from the others. We are not the defenders of unhealthy self-sufficiency. We support the exchange of true values. We are in favor of getting to know one another, in favor of competition, in favor of broadest contacts. In comparing ourselves with others, we also see a means toward overcoming expressions of passivity and indifference, of being satisfied with what we had already achieved and with mediocricy. Faster progress is also being hindered by the egalitarian psychology of fear of a just division, attempts to live at the expense of others' work without thinking of the future. The habit of relying on the state in all matters also represents a heavy burden, as do the attempts to find richer and richer rewards without one's own contribution, initiative, or effort.

We undertake the responsibility for the citizens of this state to be able to say that they are living in a justly administered and well-managed society. The present time is strictly verifying our abilities and courage. It is a demanding test for all of us. It is calling everybody to action. That is why we turn with trust to all the working people, agricultural workers, intelligentsia, men, women, and young people, so that each might contribute, according to their best abilities, toward our joint task. We are convinced that the people who have their homes in this country can meet their needs. Let us, therefore, do all we can so that this country may become a flourishing, dear home to us. That is why I ask you, comrade deputies, on behalf of the federal government, to express your trust and your full support in the proposed policy statement. I would like to assure you that we will not breach this trust.

Expectations From U.S. Election Viewed
AU1411211788 East Berlin NEUES DEUTSCHLAND in German 12-13 Nov 88 p 2

["Mi." commentary: "The 41st U.S. President"]

[Text] On 20 January 1989 George Bush will enter the White House as the 41st U.S. President. The identity of the top man in Washington is decisively important for international relations, as to which political forces he represents, whom he includes in his administration, and which political goals he tries to achieve.

Numerous commentaries on the presidential elections say that the Republican Bush won clearly but that, at the same time, the Democratic majorities in the two houses of Congress have also been strengthened, which will make it more difficult for him to govern. Many commentaries also stress that the new president has to take over considerable domestic problems from his predecessor. However, the main question is: Which line will U.S. foreign policy follow in the future? Most observers assume that George Bush will basically continue what Ronald Reagan has started during the last years of this term together with his vice president.

The world expects that the new U.S. Administration, together with the Soviet leadership, will continue to work at the most important task, that is, to take new steps on the road of real nuclear disarmament, which was embarked upon with the conclusion of the treaty on the elimination of the intermediate-range missiles. This means that, in line with the agreements of the Moscow summit, the treaty on halving the strategic arsenals will be readied for signature. This also means further progress toward a general nuclear test ban, toward a global ban on chemical weapons, toward a considerable reduction of armed forces and conventional armaments between the Atlantic and the Urals, and toward the peaceful settlement of regional conflicts. It is a positive fact that immediately after his election Bush spoke in favor a new Soviet-U.S. summit and of continuity in foreign policy.

Regarding the relations between the GDR and the United States, in his congratulatory message to George Bush, Erich Honecker expressed our willingness for the further shaping of mutually advantageous relations. The political dialogue and cooperation in fields of mutual interests should be continued regardless of differences. With this both states could make a constructive contribution to continuing the process of disarmament and detente and to peaceful international cooperation.

Jenninger Speech Termed 'Not Accident'
AU1411154588 East Berlin NEUES DEUTSCHLAND in German 12-13 Nov 88 p 2

[W.M. article: "Scandal in the Bonn Bundestag—an Accident?"]

[Text] This is the second-highest official in the state—after the federal president and before the chancellor, according to the FRG protocol—who considers fascism to have been a "triumphant procession of Hitler," and "something fascinating." The way in which the president of the Bundestag offended the Jewish victims by quoting the barbaric phrases of their murderers in a special parliamentary session on Thursday [10 November], on the occasion of the 50th anniversary of the fascist pogrom, has aroused universal anger. According to CDU Deputy Heinz Schwarz, Jenninger used "Hitler's terminology." FDP Chairman Otto Graf Lambsdorff said that "over long passages, Jenninger gave the impression that he was trying to justify, or partly justify, the worst events in German history." This speech can have worse consequences for the FRG's reputation than that of Chancellor Kohl at the SS graves in Bitburg, the SPD's Honorary Chairman Willy Brandt, said.

The comments by Jenninger, who has been forced to resign in the aftermath of his speech, have caused consternation everywhere, particularly in Israel, and people are asking themselves: What has come to light in Bonn? Is this not bound to evoke memories of a certain Mr Luebke, an architect of concentration camps, who was able to become President of the FRG; of the fascist mass murderer Oberlaender, who was a minister for many years; of a former minister president of Baden-Wuerttemberg, Filbinger, who, as a judge in the navy, passed death sentences; and of the legal founder of the fascist genocide of the Jews, Globke, who was employed as state secretary in the Chancellor's Office? Did Jenninger, who was still a child one-half a century ago, not prove with his speech that this terrible tradition can still be felt and that the "luck of being born late" does not necessarily mean denazification?

Jenninger's speech was not an accident. Moreover, the scandal was preceded by the blunt refusal to let Heinz Galinski, chairman of the Jewish Central Council, speak in the special session of the Bundestag. Two days before this session, the Bundestag press office announced officially that "the Mutual Relief Association of Former Soldiers of the Waffen SS is not a right-wing extremist organization" and that at the moment "no tendencies against the liberal-democratic basic order" can be noticed.

The disaster in the Bundestag has left many people stunned, in both the FRG and abroad. Doesn't one have to wonder what is wrong in a state, in which such things can happen? What kind of system is this, which, irrespective of the terrible experiences of the past, does not consider an SS follow-up organization to be dangerous? A system that does not prevent the appearance of computer games to "Gas the Jews" among children, and that names its barracks after Hitler's Knights of the Iron Cross?

After this shocking incident in the Bonn Bundestag, the world will think about these events. It will carefully watch what conclusions are drawn there. Half a century after the fascist crime it remains the duty of all to bear in mind the lessons from history vis-a-vis the dead and the living.

3 Chorus Members Defect While Touring Japan

OW1211042188 Tokyo KYODO in English 0407 GMT 12 Nov 88

[Text] Tokyo, Nov. 12 KYODO—Three members of a prestigious East German youth chorus have defected to West Germany with the manager of an orchestra while on a performance tour of Japan, the Foreign Ministry and security authorities said Saturday.

The three 17-year-old members of the Dresden Kreuzchor chorus went from their hotel in Tokyo, to the West German Embassy November 5 and requested asylum.

The sources did not provide details regarding motives behind the move.

The chorus left Tokyo for Bonn November 7 as the manager of the Dresden Philharmonic Orchestra was also in the process of seeking asylum in West Germany, the sources said. He has since departed for West Germany, they added.

The Dresden Kreuzchor chorus, established in early 13th century, is one of the world's oldest choirs. Its 90 members ranging in age of 10 to 18, arrived in Tokyo October 26 on a three-week performance tour of Japan with the 46-member century-old orchestra.

The remaining members of chorus-orchestra group are scheduled to leave Japan Sunday.

Text of Eberlein 7 Nov GOSR Speech Reported

AU1211174788 East Berlin NEUES DEUTSCHLAND in German 8 Nov 88 p 3

[Speech by Werner Eberlein, member of the SED Central Committee Politburo, at the gala event on the 71st anniversary of the Great October Socialist Revolution on 7 November: "The Target of Socialism Is a Socially Just World Without Nuclear Weapons and Without War"]

[Text] Dear comrades, esteemed Soviet friends and Comrades, ladies and gentlemen of the Diplomatic Corps:

Seventy-one years have passed since the historic shots of the Avrora and storming of the Winter Palace in Petrograd. It is the 71st anniversary of those eventful days when the first proletarian revolution was led to victory in Russia. Those were days that shook the world and changed it decisively. On all continents a development was initiated that has become irreversible today. A new era in the history of mankind was started by the Soviets' assuming power.

Historic Turn: Socialism Became Reality

The 71 years that have passed since that time are—taking history as a standard—certainly only a short period, but what a historic turn, what important social changes, and, of course, also unavoidable problems and difficulties were connected with them in 7 decades! However, where has this not been the case when basically new courses were tested and taken? The most important thing is and remains: Socialism has become reality—the creative practice of the most different peoples and under the most different conditions.

While socialism first gained a foothold only in one country, it has now been firmly established on one-third of the earth for a long time. For many decades, the existence and the policy of the Soviet Union and the socialist community of states have had a decisive share in the course of social development in this world. The German Communists, the GDR citizens, are proud of being active fellow fighters and companions in the historic struggle to implement the best ideals of mankind, and of being coshapers of the new, better world of socialism. Our heart is beating in harmony with the Soviet Union.

Comrade Erich Honecker expressed our thoughts and feelings when he stated on the occasion of his latest working visit to Moscow: "The tested militant alliance between the SED and the CPSU is and remains the inexhaustible source of power for our alliance. Increasingly important results for the cause of socialism, peace, and progress will develop from friendship and cooperation—of this I am certain."

These are statements that illustrate the 7 decades of militant experience of the workers class of the two peoples, the results of 40 years of successful socialist building efforts in the GDR, and the certainty that, side by side, we will also successfully master the tasks of the future.

Like in our country, the October Revolution became a beacon light all over the world. Today, suppressed and exploited people still derive from it power and courage, experience, and the confidence in their victory. The point is not only providing an example of how economic and social backwardness, which often seems to be hopeless, is overcome, although it is often precisely industrialization and collectivization that prove vividly and convincingly the basic, comprehensive transformation of the old, backward, bast-shoe Russia into a modern industrial and agricultural state. The point is socialist democracy and social justice for all the working people, the point is self-determination and equal rights.

Kremlin Astrology That Does Not Materialize

It is not surprising that the immortal ideas of Red October have always met with the vehement hostility of their bourgeois opponents who had to realize that their

rule is not permanent and feared that the spark of the proletarian revolution, as Vladimir Ilich Lenin put it, would also fall on their roofs.

Seventy-one years of Red October—these are more than 7 decades of furious anti-Sovietism and venomous attacks on the power of the workers and peasants. These are 71 years of Kremlin astrology that never favored its inventors by materializing.

The Soviet state which was declared dead one-thousand times is today a leading world power without which no decision of world political importance can be taken.

Anti-Sovietism has concealed its former brutal and primitive methods and now uses more sophisticated methods. For example, it presently has many recipes to offer for the "improvement" of socialism according to its point of view.

Nobody can be surprised to hear and read proposals for the improvement of those who, since November 1917, have only wanted to reestablish the old capitalist exploitative order because they only think of the abolition of the socialist system and the abandonment of the principles that were established by Lenin.

The Russian workers and their allies, to whom the German Communists have belonged from the very beginning, took the course toward the new, socialist society under unusually difficult conditions, under conditions which, as Lenin once stated, "none of the world's future workers revolution will ever encounter." They were the first to break the new ground which so far had only been pointed out in theory, and for a long time they had to pursue this course alone, attacked by reaction, counterrevolution, and imperialist states, and with great sacrifices.

First Victory on the Path Toward Abolishing Wars

The October Revolution certainly has many characteristics of historical greatness. However, the greatest tribute and appreciation is because of the fact that the basic question of our time, the question of peace, of preserving and guaranteeing it, is precisely the question that was first put to the world public by the Soviet Union. Thus, it confirmed in practice the thesis of Karl Marx "that a new society whose international principle will be peace is developing in contrast to the old society with its economic misery and its political madness." ("Works of Marx and Engels", Vol 17, p 7)

Lenin aptly characterized the October Revolution as the "first victory on the path toward abolishing wars" ("Works of Lenin," Vol 33, p 36) and added that it will be a difficult course which has just been initiated.

More than 7 decades of a struggle full of sacrifices for socialism and peace have effectively confirmed this evaluation. But they have also changed the world, extended the peoples' opportunities in their struggle for national independence, democracy, and social progress and shown the real opportunities of eliminating war from the life of man.

GDR Wants Speedy Negotiations on Conventional Disarmament

There is growing resistance to the illogical imperialist mindset of confrontation, to the endeavor to overcome socialism as an allegedly historical mistake, to always look for new and even more costly weapons systems instead of new zero solutions, and to take war even to space. For it was precisely this endeavor that led mankind to the abyss of self-destruction facing a permanently destroyed earth on which human life would no longer exist.

The ideal and objective of socialism is and remains a socially just world without nuclear weapons, from which wars have been banned forever. Therefore, it is in accordance with the logic of history that, together with its allies, the world's first socialist country, following its appeal for peace "to all," is acting fully in this spirit in the 71st year of its existence.

The basis for it is the peace program which was developed by the 27th CPSU Congress and offers the historic chance of freeing the world from all nuclear weapons by the year 2000.

It remains a historic date that, as a result of the negotiations between Comrade Mikhail S. Gorbachev and Ronald Reagan, the destruction of the first Soviet and, afterward, of the first U.S. intermediate-rage missiles was started and concrete nuclear disarmament was initiated on 1 August 1988.

Now the point is to balance existing asymmetries and imbalances by disarmament and not by rearmament. Priority has to be given to the conclusion of a treaty on a 50-percent reduction of strategic offensive weapons of the USSR and the United States, in strict adherence to the ABM Treaty, a step-by-step nuclear-test ban, the prohibition of chemical weapons, the destruction of their arsenals, and the drastic reduction of conventional arms in Europe.

During his visit to the Kingdom of Spain, Comrade Erich Honecker stressed in a talk with Felipe Gonzalez that the GDR is especially interested in a speedy start of negotiations on conventional disarmament in Europe and in separate negotiations on reducing and eliminating the tactical nuclear weapons which have remained in Europe. Here consultations between NATO and Warsaw Pact member states, which contribute to mutual confidence-building, could take place as proposed, in order to compare the military doctrines.

The proposals for a nuclear-free corridor and for a chemical-weapon free zone in central Europe, which were submitted together with the CSSR, and the SED/SPD proposal to create a zone of confidence and security in central Europe are still on the table.

Lenin's Historic Optimism Was Justified

As can be seen, Lenin's historic optimism saying that "...irrespective of how great the powers of international imperialism may be, our chances are very good," was fully justified. He transformed the world into a world of upheaval. Even if not all are pleased by this: With regard to the question of peace, that is, the vital question of mankind, socialism is on the offensive.

The GDR will fully contribute to implementing this course of peace in the future. Nothing is more important and nobler from the point of view of GDR citizens than to further actively contribute to the socialist states' joint peace policy in the future. As an active and, thus, reliable partner, we cooperate with all who tackle the international questions with reason, realism, and far-sightedness.

We advocate that the contribution to stability, predictability, and confidence in international relations, which is possible and necessary today, is fully and completely made here in the heart of Europe, on the dividing line of the two opposing social systems.

Dear comrades and friends, while 2000 years ago there was the saying that "all roads lead to Rome," it has been held true since Red October that in our century all paths on which the peoples are basically renewing their way of life and coexistence have their origin in this main revolutionary event.

This does not only apply to the question of war or peace. The law of the wolf, according to which charity begins at home, was replaced by the humanist principles of the new socialist society: Abolition of exploitation, equal rights, equal chances for all, social security on the basis of a stable growth in performance.

Ernst Thaelmann, the great German workers leader, regarded the attitude toward the October Revolution, the relationship with the Soviet Union, as the decisive touchstone which shows on which side of the barrier a person stands. This is an evaluation and assessment that has always been shared by the German Communists.

Karl Liebknecht said: "The Russian Soviet Republic has become the banner of the fighting international movement, it rouses those who have remained behind, encourages those who hesitate and increases the power and determination of all tenfold.... We greet Soviet Russia on the day of its triumph and swear that we will concentrate all our power on solving the historic task of the German proletariat, on destroying the German class state and creating the Socialist Republic of Germany. Our hearts are with you, your cause is also our cause." (Karl Liebknecht: "Collected Speeches and Works," Vol 9: May 1916 to January 1919, Berlin 1974, p 588)

Spirit of October Spurred on the Fight of the German Proletariat in the November Revolution

This attitude has never changed and will not change. Any speculations to the contrary are and remain without foundation. This is confirmed by the GDR-Soviet Friendship Society with its almost 6.5 million members, it continues the long, tested tradition of the "Society of the Friends of New Russia" which was founded in 1923.

Under the influence of the Great Socialist October Revolution, the masses of the peoples put up furious class struggles against imperialism in all parts of the world. Spurred on by the spirit of the first victorious proletarian revolution, based on Lenin's doctrines and the example of the Soviet state, the German workers, sailors, and soldiers fought in the 1918 November Revolution—the 70th anniversary of which we are celebrating now—against imperialism and militarism, for a socialist German republic. This revolutionary mass campaign, thus far the greatest in the history of the German workers movement, upset the rule of monopoly capital, of the noblemen and militarists, and achieved by force the termination of the war and many important political and social changes.

Although the November Revolution did not lead to a basic change in the distribution of power for the benefit of the working people and the creation of a socialist republic, the courageous and self-sacrificing struggle of the revolutionary German workers, soldiers, and sailors remains forever alive in our party and in our people.

The Worker-Peasant Power Means True Democracy

The general validity of the experiences collected in the October Revolution has been emphatically confirmed for the matter of power. It was, is, and remains the basic issue of every proletarian revolution. There is no way to avoid it. No matter how it takes place, a socialist revolution must bring about basic changes in social conditions, and it must be determined and able to defend the power of the workers class and its allies. That is the lesson of the October Revolution, the GDR's almost 40-year development, and all experiences, as different as the roads to and the struggle for power may be.

Without the power of the workers class and its allies, the building of socialism, the development and constant strengthening of the socialist order in the GDR would not have been possible. The experiences of the revolutionary struggle demand that we never jeopardize the workers class power and allow no one to touch it.

In this context, the deeply democratic nature of the worker-peasant power is very obvious. It is a thousand times more democratic than every bourgeois democracy, because in contrast to the latter and for the first time in history, it means true democracy for the people. Nowhere are the citizens granted more rights and liberties than in socialism. Of course, our party and state do not see democracy as an excuse for antisocialist machinations. It is true, the opponents of socialism would like to see that, but we will not do them this favor. We will never leave them in the dark about the fact that power is firmly in the workers' hands. We consider this our obligation to the heroes of the October Revolution and to the numerous victims of the German and international workers movement.

Probably everyone of us was deeply moved by a feeling of sympathy and obligation when Comrade Erich Honecker during his visit to Spain laid a bouquet of flowers on Hans Beimler's grave and honored German fighters in Spain and resistance fighters from all over the world.

The Smashing of Fascism Proves the Vitality of Socialism

The course of the international class conflict confirms that nobody in the world can stop the development of a new, better social system, and the successful building of socialism and communism.

Dear friends and comrades!

That was never possible by means of civil wars or intervention, nor through diplomatic and economic blockades. Nor was it possible with the insidious attack of German fascists, which ended with the aggressors' devastating defeat. The Soviet Army's victory in the Great Patriotic War probably is the most convincing evidence of the vitality and superiority of socialism.

The historic truth that it was the Soviet Union which saved the nations from fascist slavery remains indelibly alive in the hearts and minds of millions of people. Its victory opened up to many peoples—including the German people—an opportunity to embark on a new road, the road to peace, democracy, and socialism.

The GDR in its 40th Year: Politically Stable, Economically Strong, and Internationally Respected

In the 40th year of our GDR, we can say with every justification that the GDR—inseparably allied with the Soviet Union and the other socialist countries—has developed into a politically stable, economically strong, and internationally respected socialist state which is preparing for this anniversary with great achievements in all walks of social life, and which proves by concrete results every day how firmly and irrevocably rooted socialism is in German soil.

Without going into details, the balance we can strike these days is largely positive. Our economic growth rates stand up to international comparison, and our 3 millionth apartment, which was handed over since the Eighth Party Congress, is not a bad result either. However, the qualitative changes and in particular our successful handling of high and key technologies are more important than all figures of success and growth rates.

We also know that much remains to be done to implement all our plans. It is a fact that in socialist building we will continue to cooperate very closely with the Soviet Union. Accounting for roughly 40 percent of our total external trade turnover, it is today the GDR's biggest foreign trade partner, as it has been for a long time. Our friendship and cooperation are unshakable.

Support and Full Backing for Our Fraternal Country's Efforts

We are watching with considerable interest the creative efforts of the CPSU and the Soviet working people to implement, with many initiatives, the resolutions adopted at the 27th party congress and the 19th party conference, and to strengthen socialism and make it more attractive. As the GDR party-state leadership says in its greetings message to the Soviet party-state leadership, this process has our support and full backing.

Our cooperation today is focused on the implementation of the Long-Term Program for the Development of Cooperation Between the GDR and the USSR in the fields of science, technology, and production until 2000, the development and industrial application of high technologies, in particular microelectronics and modern computer technology, flexible automation and the application of robot technology, laser technology, biotechnology, material and energy economy.

The dynamism of mutual relations is increasingly determined by cooperation covering all branches of science, technology, and production. Our task is to open up the huge capabilities and possibilities of international socialist division of labor for a high growth of productivity and efficiency of our countries' economies and for the benefit of our countries' working people.

Evidence of the diligence of our working people, their commitment to cooperation and friendship with the Soviet Union are 3,500 ships; 50,000 ship diesel engines; 45,000 fodder harvesting machines; 150,000 printers for data processing equipment; over 5,000 tracked slewing cranes; over 3,000 harbor cranes, as well as over 75,000 passenger train wagons and refrigerator vehicles, which have been supplied to the USSR since production of these goods was started in the GDR.

To add just one example from Magdeburg to this impressive list: Since the beginning of the fifties, the "Ernst Thaelmann" Heavy Machine Building Combine supplied 30 complete rolling mills and 7,500 cable and wire

drawing mills to the USSR between the Ukrainian lowlands and the Soviet Far East. Some 40 percent of Soviet cement is produced at facilities supplied by this combine.

Significant Results of Cooperation

In the last 2 years, significant results were achieved in the further development and deepening of cooperation between our countries by the establishment of direct relations between GDR combines, enterprises, and organizations and USSR associations, enterprises, and organizations, and by the setting up of joint science and production collectives.

The large variety and broad scale of these relations is demonstrated by the fact that about 150 partner organizations of the GDR and the USSR have concluded specific agreements on direct relations. Experience has shown that these direct relations are increasingly developing into an effective type of bilateral cooperation. In this respect, joint projects based on division of labor for the intensification and rationalization of production, mutually beneficial production cooperation, and the exchange of experiences on the application of modern methods of production organization are given broad room.

In the relations between the GDR and the USSR, the conclusion of agreements, accords, and treaties covering the entire cycle ranging from research to the preparation of technologies, as well as the manufacture and sale of finished products, in particular the more than 170 government and ministerial agreements as well as 33 branch agreements, have proved their worth.

Our Peoples' Vital Problems Are Resolved in an Increasingly Effective Togetherness

Considerable impetus for the further deepening of cooperation in the scientific, technological, and economic fields emanated from the GDR exhibition in Moscow, which Comrade Erich Honecker and Comrade Mikhail Gorbachev visited during their work meeting, and which they assessed highly. We fully agree with Comrade Mikhail Gorbachev who said that the exhibition had a significant theme: "It is cooperation, mutual assistance, friendship with the Soviet Union, which played a decisive role in the GDR's coming into being, helped our two peoples for decades to resolve the important tasks of their development, and serve as a factor of stability and peace in Europe."

The GDR will continue to purposefully continue on this road that it has embarked upon. Loyal to the legacy of Red October, we implement the policy for the people's benefit which was adopted by the 11th party Congress, and shape the developed socialist society entirely in accordance with the ideas of Wilhelm Pieck who, based on his historic experience, said on 7 November 1945 "that the national interests require friendship with the Soviet Union."

The first socialist German state sees itself—and we think rightly so—as a child of Red October. Here the ideas of Marx, Engels, and Lenin have been put into practice, and here a radical antifascist democratic change took place, and socialism was victorious.

In implementing our party's economic strategy, the GDR has developed into a productive socialist industrial state with modern agriculture. Our national income and the people's net disposable income have more than doubled since 1970.

The effort to fully utilize with increasing effectiveness the possibilities and capabilities inherent in socialism marks the new stage of cooperation. We are therefore entirely right to state that our peoples' vital problems are resolved in an increasingly effective and closer togetherness.

Inexorable Logic: Living Together or Perishing Together

Our hope and our struggle pursue the goal that mankind's future may be as peaceful as has been stated in the Decree on Peace and in numerous peace offensives launched by the Soviet Union. In our present time, mankind can only live together or perish together. This is the inexorable logic on which responsible policy must now be based. This corroborates every individual's very personal responsibility for contributing his share, so as to strengthen the peace forces.

Dear comrades and friends!
When we commemorate the 70th anniversary of the founding of the KPD on 30 December, we will remember the German leftists who formed the Communist Party, and who considered the victory of the Bolsheviks their own victory—as Franz Mehring wrote. They were linked with the Bolsheviks by all bonds of passionate and deep sympathy, because the Russian Revolution was the signal of a better future. (Franz Mehring: "Collected Works," Vol 15, Berlin 1973, pp 773, 777)

Therefore, Karl Liebknecht's proposal to send a greetings telegram to the Russian Socialist Soviet Republic was fully and unanimously approved by the delegates to the KPD's founding congress: "The Reich conference of the Spartakus League, which has founded the Communist Party of Germany today, sends the most sincere greetings to the Russian Soviet Republic, the Russian cofighters against the common enemy of the oppressed people in all countries. The awareness that the hearts of all of you beat for us gives us power and strength in our struggle." ("Protocol of the KPD Founding Congress," Berlin 1985, p 105)

The Most Influential Movement of This Time

That was the situation 7 decades ago, and that is the situation now: The centerpiece of our peoples' unshakable friendship now is the fruitful cooperation and close combat partnership between the SED and the CPSU.

We approach the 72d year of Red October and the 40th year of the GDR with optimism and confidence.

The specter of communism that a capitalist apologist painted on the wall became the most influential movement of our time long ago. The statements made by Marx and Engels in the Communist Manifesto have so very truly and convincingly become a living reality of our days. Thus every further anniversary of the Great October Socialist Revolution, that we will commemorate, will be marked by the immortal ideas of Marxism-Leninism. Peace which is coming from the East will cover the entire globe.

Long live our Marxist-Leninist combat parties—the CPSU and the SED!

Long live our country's and people's unswerving friendship and cooperation with the country of Red October and the peoples of the Soviet Union!

Long live Marxism-Leninism and proletarian internationalism—the guarantee of all our successes in the struggle for peace, democracy, and socialism!

Long live the 71st anniversary of the Great October Socialist Revolution!

Authorities Ban International Church Congress

AU1411161788 Hamburg DIE WELT in German 14 Nov 88 p 1

["DW" article: "GDR Bans Church Congress"]

[Text] East Berlin—The GDR authorities have banned an international church congress that was to have started last Saturday [12 November]. This was revealed in East Berlin yesterday [13 November]. At the meeting of the European branch of the Christian World Students Association, representatives from evangelical communities from nearly all European countries planned to discuss peace issues and Moscow's reform policy.

In addition, GDR security forces seized several hundred copies of two church publications in Halle last Thursday [10 November]. The evangelical weekly DIE KIRCHE, however, was allowed to be published without being censored this weekend [12-13 November]. Referring to the 1938 November pogroms, it called for curbing any kind of power through control.

Church Circles 'Displeased'

LD1411220988 Hamburg DPA in German 1245 GMT 14 Nov 88

[Excerpt] East Berlin (DPA)—The ban on an international church meeting on peace issues by the GDR authorities has been received with displeasure by church circles in the GDR. In the conference of church leaders, the managing body of the Federation of Evangelical Churches in the GDR, "great regret" was said to have been expressed during the regular discussions over the weekend at the state decision, church circles said today in East Berlin. The conference of the Europe section of the World Student Christian Federation at Buckow in Brandenburg, planned for a long time now, with a total of some 65 participants from 10 European states, on the topic "Searching for a Europe capable of peace and creating peace" was to have begun last Saturday and to have lasted until 22 November.

In a news brief which became known today from the Evangelical Student Congregation (ESG) in East Berlin to the student congregations in the GDR, it was announced that representatives of the church federation were told on 26 October in the State Secretariat for Church Affairs that the conference could not take place at that time. The reasons apparently given were that issues might be discussed in the debate which would put pressure on the relations between state and church in the GDR. It was also said that on the state side there was a concern that "national problems" could be raised "to international level."

The World Student Christian Federation has meanwhile described the GDR's conduct as an unfriendly act, which is even harder to understand as the preparatory talks between the church federation and the state secretariat for the conference had been going on since the start of the year, and it could have been assumed from these that there was no objection to this meeting being held.

Church Youth Workers Question Student Expulsions

LD0711201588 Hamburg DPA in German 1651 GMT 7 Nov 88

[Text] East Berlin (DPA)—Church youth workers have called in an open letter to all evangelical parishes in East Berlin for a discussion on events in the Carl von Ossietzky secondary school in connection with the expulsion of four students who, in a contribution for a wall newspaper, had questioned the point of having military parades on the GDR's national day. The letter, it was revealed today, expressed "great concern and consternation" at the action against the students. The "heavy school punishments", with which in addition a further two students were removed to other schools and two received reprimands, "demands our protest". The letter further said: "The pressure to conform, to which our children are exposed, damages the growing generation and thus our entire society."

It was also learned from informed circles today that eight members of various action groups were temporarily arrested last Friday before a church service in the Gethsemane Church in East Berlin. Their participation in the church service, in which the expulsion of the four students was discussed, was meant to be prevented by this measure.

Economic Statistics for September Reported

AU1310082488 East Berlin NEUES DEUTSCHLAND in German 11 Oct 88 p 2

[Text] East Berlin (ADN)—According to preliminary statistical data, by the end of September the contribution of the various sectors to the growth of the produced national income amounted to 4.1 percent in industry compared with the same period last year, to 4.5 percent in the construction sector, to 4.2 percent in the transportation, posts, and telecommunications sector, and to 4.4 percent in domestic trade.

With the handing over of 20,785 apartments, housing conditions for another 62,000 citizens improved in September.

By the end of September retail trade turnover increased by 4.3 percent, including industrial goods with an increase of 6.1 percent. Net money income of the population rose by 4 percent. In foreign trade the GDR continued to achieve an export surplus.

In industry net production was raised by 6.8 percent and labor productivity by 6.7 percent. Costs were reduced by 1.3 percent. In implementing the economic strategy of the SED, the rate at which key technologies are introduced remains high. In September the first of the 1-megabit memory circuits produced in the GDR were handed over to Comrade Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council. By the end of September 42,064 office and personal computers were produced—7,981 more than during the same period last year. The growth with regard to computer memory units amounts to 64,382 units and concerning printers to 20,531 units. Production of monolithically integrated circuits was 49 percent higher than last year and that of semiconductor components and electronic component parts was up 34 percent.

In September 20 facilities from investment projects of great economic importance were put into service so as to further increase the capacity of the national economy. These include facilities for the production of

—tufted floor coverings in the VEB United Coarse Spun Works, Kirschau;

—preformed plastic parts for private cars in the VEB Plastic Works, Sonneberg;

—piston rings in the VEB Motor Vehicle Accessories Works, Dresden;

as well as production facilities for raw brown coal in the VEB Brown Coal Combine, Senftenberg, Klettwitz Nord Open Pit Mining.

In the construction sector the building production plan was fulfilled with 100.1 percent in total. Labor productivity rose by 5 percent. Costs were reduced by 0.6 percent. In industrial construction, output rose by 3.1 percent compared with last year. The overall targets in housing construction were fulfilled by the end of September.

In agriculture the state procurement plan for slaughter animals was exceeded by 56,200 tonnes by the end of September, that of milk by 124,200 tonnes, and that of eggs by 179 million units.

By the end of September the railroads transported 7.8 million tonnes of goods more than last year. Performance increase in the posts and telecommunications sector amounts to 3.3 percent.

In the individual sectors of industry the following growth in net production and labor productivity and the following reduction in prime costs per M100 of goods production were achieved by the end of September:

	Net production	Labor Productivity	Reduction in prime costs
		—in percent—	
Coal and energy	6.0	5.7	0.7
Ore mining, metallurgical industry, and potash	3.4	4.1	0.7
Chemical industry	8.4	9.0	1.2
Electrical engineering, electronics	14.3	14.8	3.7
Heavy machinery and installation construction	5.7	6.5	1.6
Machine tools and processing machinery construction	7.8	8.6	1.7
General machinery, agricultural machinery, and vehicle construction	5.1	5.4	0.9
Light industry	8.0	4.7	0.6
Glass and ceramics industry	6.8	7.3	1.4
Bezirk-administered industry and foodstuffs industry	5.9	6.5	0.8

Within bezirk-administered industry the following development in the growth of net production and the production of manufactured goods for the population, and the following reduction in prime costs per M100 of goods production were achieved:

	Net production	Manufactured goods for the population	Reduction in prime costs
		—in percent—	
Capital city of Berlin	11.9	2.2	2.1
Cottbus	5.0	4.5	1.1
Dresden	5.0	6.2	0.9
Erfurt	7.9	7.2	1.8
Frankfurt	6.9	16.6	0.9
Gera	9.4	6.6	1.3
Halle	5.9	9.7	1.3
Karl-Marx-Stadt	4.2	5.7	0.3
Leipzig	5.9	7.1	1.3
Magdeburg	7.4	7.1	1.3
Neubrandenburg	4.1	1.7	no reduction
Potsdam	8.0	4.9	1.0
Rostock	8.8	7.9	1.1
Schwerin	7.6	8.1	1.2
Suhl	6.3	4.3	1.0

Grosz Departs for Visit to Spain
LD1511094288 Budapest MTI in English 0646 GMT 15 Nov 88

[Text] Budapest, November 15 (MTI)—Karoly Grosz, general secretary of the Hungarian Socialist Workers' Party and chairman of the Council of Ministers, left for an official visit to Spain on Tuesday. He is meeting an invitation from Felipe Gonzales, prime minister of the Kingdom of Spain and general secretary of the Spanish Socialist Workers' Party.

Mr Grosz is accompanied by Laszlo Major, head of the office of the HSWP Central Committee and spokesman of the Central Committee, State Secretary Ferenc Bartha, president of the National Bank of Hungary, Attila Gecse, deputy head of the Foreign Affairs Committee of the HSWP Central Committee, Laszlo Kovacs, deputy foreign minister, Tibor Melega, deputy minister of trade, and Peter Lorincze, general secretary of the Hungarian Chamber of Commerce. Istvan Csejtei, Hungarian ambassador to Spain, is to join the delegation in Madrid.

Following his visit to Spain, the Hungarian party general secretary-prime minister is to meet an invitation from Francois Mitterrand, president of the French Republic.

Mr Grosz and his party were seen off at Ferihegy Airport by Peter Medgyessy, deputy chairman of the Council of Ministers, Geza Kotai, head of the Foreign Affairs Committee of HSWP Central Committee, Peter Varkonyi, foreign minister, and State Secretary Miklos Raft, president of the office of the Council of Ministers. Also present were Gerardo Bugallo Ottone, charge d'affaires ad interim of the Budapest Embassy of the Kingdom of Spain, and Jean-Pierre D. Lafosse, charge d'affaires ad interim of the Budapest Embassy of the French Republic.

'Ups, Downs' of Hungarian-Romanian Relations
AU0411212088 Budapest MAGYARORSZAG in Hungarian No 43 21 Oct 88 p 4

[Article by Sandor Arvay: "Romanian File—The Seismograph Needle—Ups and Downs in Relations—Energy Norms and Dacias"]

[Excerpts] If the development of Hungarian-Romanian relations were measured by a sensitive instrument, the needle of such a diplomatic seismograph would have definitely oscillated lately: There were both ups and downs in the relations between the two countries. It was the RCP official organ, SCINTEIA, that started a campaign comprising Romanian protests against the reopening of the Hungarian consulate in Kolozsvar [Cluj].

On the opposite pole, however, there were reports describing the broadening of Hungarian-Romanian economic relations—such as representatives of the Diosgyor Machine Factory signing a preliminary agreement with the Dacia Enterprises in Pitesti on behalf of the Borsod Vehicle Association. [passage omitted]

A SCINTEIA editorial claims that "it is impossible to understand that Hungary disregards one of the major issues of our bilateral relations, namely, our economic and scientific-technical cooperation which is a decisive factor in both countries' socialist construction." This slightly contradicts the news that the Borsod Vehicle Association and Dacia Enterprises signed a trade agreement on 23 September. [passage omitted]

Economic difficulties and difficulties in the supply of goods in Romania to population were also discussed at the Soviet-Romanian summit in Moscow. Analyzing the leaders' toasts in Moscow, THE WASHINGTON POST pointed out that the Soviet leader made it clear to his guest that "he is worried about the bad economic management and the violation of human rights in Romania, because the shortcomings in one socialist country can damage the entire socialist community." Press reports commenting on the Romanian-Soviet summit noticed the fact that, just like in 1987, the word "sincere" has been omitted from the joint communique praising each other's "spirit of comradeship and understanding," a conspicuously rare omission in the case of fraternal countries. The French press agency AFP pointed out that, in his speech, the Romanian leaders avoided the use of the words "reform" and "restructuring."

Ceausescu openly mentioned "some inequalities" in their cooperation. The guest rejected the unilateral concepts on developing the CEMA member countries' economic integration. In his view, "it is not expedient to create bodies to stand above nations." In his toast, the host urged for "a qualitatively new level" of bilateral relations and, although he did not mention Romanian-Hungarian relations, Gorbachev stressed that it is necessary to "protect the natural environment and human habitat" in harmony with the international agreements signed by the socialist countries. In his reply, Ceausescu said that his country "is trying to provide better working and living conditions to all members of the society, both in towns and villages."

According to the FRANKFURTER ALLGEMEINE ZEITUNG, the Soviet side, which is following with alarm and concern the deterioration of Hungarian-Romanian relations, expressed its opinion in a disguised way, namely that, according to the Helsinki final document, one should respect "the right of nations for self-determination" and "every citizen's rights and freedoms", and this is particularly valid in relations between socialist countries. [passage omitted]

Thousands Make Appeal To Save Romanian Villages
AU1511110888 Budapest MAGYAR NEMZET in Hungarian 11 Nov 88 pp 1, 2

[MTI reports from Prague: "Slovak Hungarians Protest—The Destruction of Villages Undermines the Pillars of Our Civilization."]

[Text] An appeal by 3,156 Slovak Hungarians—workers, students, teachers, scientific workers, and clerks—protested against the Romanian plan to destroy villages. MTI was also asked to publish the text of this appeal.

Among other things, the text of this appeal stresses the following:

"We, representatives of the Hungarian national minority in the CSSR, workers, intellectuals, clerks, and students, have been deeply shocked and concerned by the news that the leading Romanian state and party bodies have ordered the beginning and implementation of the so-called resettlement program.

"Even a partial implementation of this inhuman plan would cause harm to the peoples of Romania, and consequently to the peoples of the whole Europe, harm comparable with the destruction of a barbarian war of annihilation. Overnight the bulldozers would eliminate the relics and results of centuries of peaceful work carried out by Romanians, Hungarians, Saxons, Swabians, Serbians, Ukrainians, Slovaks, Jews, and other nationalities, and the keenly preserved memories and priceless values of their culture and history. A forced relocation would lead to incurable spiritual harm to these people, deprived even of the possibility to defend themselves. The planned measures of the Romanian Government would tear the fabric of society—the humane relations among people—and would undermine the pillars of our civilization: the rights and dignity of the individual.

"In the critical Romanian situation, the fate of the national minorities, including the 2.5 million Hungarians in Transylvania, whose fate has always been full of vicissitudes, has become particularly critical. Their human tragedy is completed by the fact that, disregarding their particular situation, demands, and national rights, the present and planned measures deprive these people of the possibility to use their own mother tongue and to have their own schools, churches, organizations, press, and leaders, and these measures completely separate them from their relatives and friends living abroad, mainly in Hungary. The goal and result of all this can only be the complete assimilation of national minorities, namely, their elimination.

"We call upon every government, organization, and private person, as well as international public opinion to join us in defending human values and rights, and to voice their indignation and their protest, in order to promote unity and peace in Europe for the benefit of its peoples."

Kotai Discusses Foreign Policy Trends
AU0911142388 Budapest MAGYAR NEMZET in Hungarian 29 Oct 88 p 6

[Interview with Geza Kotai, head of the Foreign Affairs Department of the MSZMP Central Committee, by correspondent Tibor Varkonyi: "The Israeli and ROK Connections—Western European Opening—Romania—The Right of Associations To Conduct Foreign Policy"—date and place not given]

[Text] The acceleration of our domestic public life, the appearance of often contradictory trends, and the confrontation of opposing processes inevitably raise the following questions: How does all this affect Hungary's evaluation abroad? What is Hungary's image abroad? And more than that! New organizations are emerging, and, following the adoption of the new law on associations by the Parliament, further associations will naturally emerge, which will themselves be looking for their own international contacts. This, and the multifaceted nature of Hungarian diplomacy, justified us in calling on Geza Kotai and asking him to give us an interview on issues connected with this subject, about Hungary's global political outlook. Geza Kotai gladly accepted our request and we publish here his answers to our questions.

[Varkonyi] There is a generally accepted axiom according to which each country's international activity is somewhat connected with its domestic policy; these activities are connected and also derive from one another. There was a general expectation following the MSZMP party conference in May this year that a national consensus would emerge, things would relax, and then we would be able to advance at a higher level. However, almost the opposite occurred, or at least things did not turn out exactly as we had expected. Uncertainty, anxiety, and sometimes even confrontation have emerged. If the above axiom is true, namely that our domestic policy can affect our foreign policy, to what extent is this noticeable in our international relations?

[Kotai] This is not so much noticeable in our international relations as such as in the formulation of foreign policy. Obviously, we have to contribute with our foreign policy activity to fulfilling our domestic requirements. If domestic conditions change, we should also institute changes in our diplomacy. I feel that, in a wider sense, there is a national consensus in our foreign policy. Debates and differences of opinions in our foreign policy refer to individual issues. Even if not exactly the overwhelming majority, I can say that a qualified majority of our society in general support our international activity.

[Varkonyi] This applies mostly to our domestic affairs, but I would now look abroad. Even before the party conference, the view was expressed that the increased domestic uncertainty could already affect our international political credit. Can we notice any consequences in this respect?

[Kotai] Unfortunately, we can. Both our Eastern and Western partners are slightly concerned about the uncertainty in our domestic policy and our debates. Of course, the main concern is about our economic capabilities, but the political aspect is also connected with this. We have not lost our credit in the world, and there is continued confidence in our country; however, one can sense uncertainty and a certain anxiety. Our task today is to try to maintain, make good use of, and if possible even increase the capital we have accumulated with our previous stability and predictability.

[Varkonyi] You have mentioned that there are some foreign policy actions that are not always supported by a domestic consensus. If we take a look at our international activity in the past months, from MSZMP General Secretary Karoly Grosz' trip to the United States to the establishment of relations with the ROK and Israel, are these such foreign policy actions, and if so, what reactions do we notice?

[Kotai] We must start from a little further back in time. I would like to stress that, as far as I know, we have never been able to say that our relations are equally settled with all the big powers in the world. Now, we can say that, and we of course include the Soviet Union, because the restructuring process under way in the Soviet Union represents a serious background for us, and we include the fact that we have succeeded in positively settling our relations with the United States, and are even developing our relations and cooperation, irrespective of the ups and downs registered in the relations between the two big powers. I will also mention here the normalization of our relations with China, our settled relations with Japan and with our Western European partners. All this has created a good background for us, so that we could now deal with other issues, issues that have been controversial, under debate, or unsettled so far.

Among these issues, I would mention the State of Israel and the ROK. We have recognized that the world is changing not only as a whole but also according to various areas, and the Hungarian People's Republic cannot disregard such an important area. I think our agreement with the State of Israel is one of the debated issues. I, personally, attribute great international importance to this agreement. This area, the whole Middle East situation is changing, and thus, this agreement was a logical and normal step on the part of the Hungarian Government. This is also a domestic policy and humanitarian issue, and I think there is no need to go into detail about the ramifications.
role in the case of the ROK. We have to take realities into consideration. The existence of the two Korean states has been a reality for 35 years, and we are convinced that we have to take this into consideration in the near future and in an extended period, too. We cannot disregard the fact that the ROK domestic policy is becoming more democratic, and we also have to take into consideration Hungarian national interests. The preparations for the Seoul Olympics also made it possible for us to start building contacts through various channels as early as 1983. This activity led to the recent establishment of permanent consulates.

[Varkonyi] These two latest contacts involve Israel and the ROK. At the same time, in my view, we also had more important foreign policy openings than these, and by this I mean the European Community. As a result, can we also expect wider political foreign contacts and even more settled relations with Western Europe? We recognize that there is some continuity in all this, as we started these contacts some time ago.

[Kotai] I will again start from the premise that our task is to take into consideration the realities to the greatest extent possible, and based on this, to continue our foreign policy opening in these two directions. Taking into consideration our current situation, we can best serve this country if we open up in both directions. It seems as if our opening toward the West is stronger now. I would deny this. The fact is that we have carried out many joint political actions with our allies, the socialist countries in Europe, and perhaps fewer economic actions, due to the well-known CEMA difficulties. Our socialist partners are generally struggling with similar problems. In other words, I could also say that we are struggling with a lack of capital. I regard our agreement with the EEC as a very important step, but I would stress that this is still only an opportunity. If we had not taken this step, we would have missed the train; we have succeeded in clinging to the last step of the last carriage.

[Varkonyi] Even if, in fact, we have preceded several of our allies?

[Kotai] Yes, even if we have done so. Let us not forget that it is 1988, and the EEC has great plans for 1992. Now we have made it possible for us to be present at that time, but our main task is, of course, to produce marketable and competitive products. Well, concerning what you have mentioned, and being a small European country, our main partners are the EEC members. By this, I do not want to belittle the importance of Austria, for example, or of any other Western European country. However, our agreement with the EEC will broaden our scope.

[Varkonyi] This answer is reassuring because it means that we have, at long last, recognized that something new will begin in Europe in 1992, and we are not thrusting our heads into the sand like an ostrich, but we are advancing and preparing our place in the new conditions.

[Kotai] I completely agree with this, with one addition: Hungarian foreign policy recognized this earlier. I would like to remind the readers that, for years, and even for more than a decade, we have been urging others to finally recognize that the EEC is an existing reality. Fortunately, since 1982, when Yuriy Andropov became the CPSU general secretary, the Soviet leadership not only tacitly accepted this reality, but also took certain steps aimed at making us recognize the international realities and carry out the appropriate activity. This recognition, therefore, did not start with the signing of the agreement; the domestic and international conditions necessary for us to reach this point emerged in recent years. Our head was not in the sand before either, but we had certain limitations both in Eastern and Western Europe.

[Varkonyi] Let me deal here with a sensitive issue, which is more sensitive to the European Communities than to us. As is well known, there is a certain rivalry between the two leading powers of the EEC, between the FRG and France. According to a previous French concept, the part of Europe which includes Hungary is a German interest area, in accordance with historical traditions.

[Kotai] Yes, there has always been rivalry within the EEC. However, if we look back in history, this French-German competition has always been there, and I do not find anything extraordinary in this. At the same time, I would like to stress that, within the European Communities, we attribute great importance to Italy and Great Britain, as well as to the other member states. I would also ask the Hungarians to took carefully to Madrid in these months and years because Spain has also occupied its deserving place in the system of European relations, and we have noticed its strong desire to open toward Eastern Europe, and particularly toward Hungary. All these are positive signs. Everything you have mentioned is fact. It is also our view that, along with the diminishing of its worldwide commitments, it seems as if France were now paying increased attention to Eastern Europe. We have already noticed many promising signs, but this is not yet reality. We would also welcome France to increase its Eastern European contacts to the level of the FRG's contacts, but this should not occur to the detriment of our relations with the FRG. Therefore, we are speaking about building of relations, rather than reducing them.

[Varkonyi] Now, returning quite close to our borders, let us deal with perhaps the hottest issue. I do not think I will surprise anyone when I say that there has not been a very positive reaction in Hungary to the meeting between Karoly Grosz and Nicolae Ceausescu in Arad. I could even say that the meeting was followed by a certain reservation and lack of understanding, all the more so because there were 10 points on the agenda of the meeting, and, according to our public opinion, they were too general to be able to lead the problems that directly affect us closer to a solution. Has any change occurred in this respect, or do we simply not understand exactly what really took place in Arad?

[Kotai] As far as I know, and I myself have noticed in my contacts that certain questions continue to be asked by the Hungarian public, but not in such a strong manner, and the debates have also been less passionate lately, even when compared with the ones a few weeks ago. We are talking here about a serious and difficult problem, and one could say that these tensions have accumulated over several decades. Obviously, these tensions cannot be solved overnight. However, I would like to point out a few things. First: The MSZMP did not start dealing with this issue only recently. Perhaps the time will come when we will have to speak in more detail about this. We have never been indifferent to this issue. Second: I am sure that nobody had illusions. Third: We must negotiate by all means. Unfortunately, since the last summit held in Debrecen and Nagyvarad [Oradea] in 1977, we have failed to implement those 21 points and new problems have also emerged in our relations. There were many alternatives, but I am convinced that a summit was the only feasible way, even if, apart from its very existence, the meeting did not lead to any positive change.

[Varkonyi] Let me argue with one of your remarks. You have mentioned that the intensity of polemics has subsided. At the same time, the public notices that, in certain issues, the Hungarian-Romanian polemic has increased in intensity. By this I mean that the tone of the Romanian press is increasingly harsh toward us and it objects to the very fact that the Hungarian newspapers continue to deal with this issue. On the other hand, it transpired from the latest long SCINTEIA article that the Romanian side refuses to receive the delegations whose visit was agreed upon in Arad because they consider them to be "inspectors" and an interference in Romanian internal affairs. In my view, this means that, in certain things, the Romanians have backed down. Thus, there are contradictory phenomena here.

[Kotai] Indeed. The Romanian press campaign is one thing. It seems that, ever since the publication of the SCINTEIA article and of the NEPSZABADSAG reply, this campaign seems to have subsided in the Romanian press. It seems as if a temporary recess is in force now. I do not know how long this will last. Obviously, we will have to answer to any new accusations and slander; our own public and world public opinion demands this from us. We will do so if this tone continues. There is indeed a debate under way about this, but there is also a debate in society about the resettlers. The party and government leadership accepted their problems and difficulties. One can notice a certain anxiety in the Hungarian public, or among some people, but, here too, it is extremely difficult to give a perfect answer. We had a moral responsibility to deal with the fate of these people both centrally and systematically, even if this represents an extra burden on all of us, on our entire society. We have to act rationally, carefully, and calmly, but mainly humanly, because we want to shape and build a humane society.

[Varkonyi] I think that the practical results of this behavior were quite obvious a few days ago. I would like to mention the appeal published in the NEUE ZUERCHER ZEITUNG. This was a rare occasion. I do not remember such action by such prestigious organizations on such a broad international level in recent years.

[Kotai] I would like to mention the fact that we are sometimes blamed for encouraging these manifestations. However, concern has been increasing in various countries of the world for many years now, and occasionally this concern was voiced at various international forums both indirectly and more directly. The latest events in Romania have again drawn the attention of the international public opinion. Those who are concerned about the fate of our continent, its cultural heritage, and about the security of human rights have raised their voice. Everyone speaks up according to his own conscience, political awareness, and faith.

[Varkonyi] I think that the list of signatories speaks for itself, as we cannot influence Ionesco or Duerrenmatt....

[Kotai] Of course, we are talking not only about the eminent representatives of universal culture, but also about figures in public life, parties, and outstanding political personalities. Therefore, I can say that, in addition to the humanistic intelligentsia, the political intelligentsia have also taken a stand and expressed their opinion.

[Varkonyi] Like, for example, the British foreign secretary, or the FRG chancellor....

[Kotai] And Austrian parties, and others too. A Dutch parliamentary delegation, for example, cancelled its visit to Romania precisely because of concern in connection with the so-called resettlement plan.

[Varkonyi] To conclude this subject can we see any prospects of moving out of this dead end, and can we start toward some kind of rational arrangement?

[Kotai] There are very slight hopes in this respect. We hope that, on the one hand, the international public opinion will urge our Romanian neighbors to move in this direction. On the other hand, our readiness for a dialogue and for settling the issue will, sooner or later, make them see reason. At the moment, I do not see any other possibility; taking into consideration the current situation, our hopes are very faint, but, nevertheless, we hope that common sense will eventually prevail.

[Varkonyi] The starting point of our discussion was the interdependence between domestic relations and foreign policy. Let us return to this issue. Traditionally, the so-called [state] power has unquestionable jurisdiction over diplomacy. Today, one increasingly hears about autonomous initiatives which are independent from the government. Do these initiatives affect foreign policy, and if so, how?

[Kotai] I would not speak about the relations between the "power" and foreign policy so angularly in such a clear-cut manner. It is an unquestionable fact that every country in the world is striving to bring together, guide, and "handle" international activity. It can hardly be done otherwise. The greater question is the extent and ways of doing this. It can be done, for example, by making everyone who represents the country's foreign policy anywhere represent the interests of a narrow group. However, it can also be done by taking a common stand in favor of fundamental interests formulated by a broad social dialogue, like a consensus, while everyone acts according to the best of his knowledge for the benefit of the community. I think it is not necessary to stress that the latter is in harmony with our efforts for democratization. Our clear-cut goal is to democratize Hungarian foreign policy.

In order to implement the goals facing our country we are required to have the broadest possible international relations. Each and every institution and organization, and even each Hungarian citizen has his own role and responsibility in working out and maintaining such relations. However, when we ask for this, we should clearly separate the governmental sphere from the non-governmental sphere; namely the party, the public movements, and associations should be separate because their tasks, possibilities, and conditions are totally different. In addition to governmental and non-governmental cooperation, or "institutionalized" cooperation carried out by corporations, I regard the private and unofficial contacts between individual people as highly important. Imagine the importance of correspondence carried out, for example, between two scientists. However, it is also natural for us to create the legal, organizational, and financial conditions for such a democratization of our foreign policy activity.

[Varkonyi] So far, this is logical. When the party guidance was characterized by centralization efforts, every issue concerning international relations was decided upon only centrally. Today, we are living in a so-called temporary situation when the old methods are no longer asserted and the new ones are not yet ripe enough. Well, how is the party's intention asserted today, if there is such a thing at all?

[Kotai] Party guidance directly interfering in everyday international activity has been out of practice for a long time now. There is, of course, coordination, and the party still has to work out strategic foreign policy concepts. Foreign ministries all over the world are bodies that execute political will. The parties determine the principled trends and represent and implement them through the parliament. This is how I interpret the role of the MSZMP in formulating our foreign policy. The party must create a consensus, a sort of national will, and must direct and coordinate the activity of various organizations engaged in foreign policy. This primarily requires information and persuasion, and thus political means are coming to the fore. In the future, the party will

have to strive even more to formulate and represent the broadest possible circle of interests in its international activity. I think that, in the framework of a foreign policy democratization, it is very important to increase the role of the party members who are active in the various organizations, movements, and associations. There will be great need for their knowledge and intellectual capacity.

[Varkonyi] In the non-governmental sphere, some public and mass organizations used to have a hegemony, if not a monopoly. Will the upcoming new law on associations change this state of affairs?

[Kotai] Yes, it will. We can already see that we have to take into account a radically new situation. The current practice according to which 18-20 state-supported organizations were the trustees of non-governmental relations will obviously change, and we do not regard this as some kind of forced situation or a "necessary bad" thing. We are for the elimination of monopolies. We need competition here, too. This is particularly required by the fact that, parallel with the shifting of the role played by the public and mass organizations, the traditional guidance coming from above is fading away; at the same time, however, a system of control coming from below has not yet emerged. Thus, the building of international relations is taking place in a so-called "void." Only competition can force a renewal in such a situation, and it could encourage new thoughts and a rational use of the available resources.

However, this also requires us to democratize the distribution of funds allocated to nongovernmental relations. Thus, in principle, every association can receive state support. In our view, we can determine the extent of this support in accordance with the size, influence, international program, and concrete goals of a given organization. We have in mind some sort of open tender to distribute the funds allocated for this purpose. We should, of course, urgently work out a system for such tenders. If we take other countries' experiences into consideration, the proper way would be, for example, for the Foreign Affairs Committee of the National Assembly to annually initiate the allocation of funds stipulated in the draft law. It would also be desirable to publish these decisions and the occasional justifications.

[Varkonyi] Yes, but this raises an important question. Does the draft bill on associations and assembly also include international aspects?

[Kotai] It is indeed a shortcoming of the draft bill that it does not contain such aspects. However, I find it only natural that the various associations will build up contacts with similar foreign organizations. In order to defend these associations, the conditions and legal framework of such contacts should be regulated in such a way as ensures that possible later arguments between the competent authorities and these associations can be decided by the courts. The law should be formulated in such a way as will encourage the building of legal international contacts. Once these organizations are aware of the legal conditions for such contacts, they should be able to decide themselves whether they intend to create such international contacts or not. Superfluous patronage and overregulations are not desirable here.

[Varkonyi] I understand. However, if this new situation emerges, how will it be possible to assert the greatly valued national consensus in foreign policy? Or perhaps, everyone will do whatever he likes?

[Kotai] For a small country, like Hungary, it is vital to have a consensus concerning international issues that express basic national interests, and to continuously renew this consensus. I would stress here the basic interests, and the principles. We think that these principles should be stipulated in the Constitution so that they are equally valid for everyone: the party, the government, the associations, and private persons. For example, the Constitution would declare that it is forbidden to unilaterally violate the obligations stipulated in an international contract, or to strive to unilaterally eliminate the status quo in Europe, including our membership in our alliance. The system of security and cooperation in Europe, or as it is more popularly known, our commitment to East-West cooperation would be an inviolable principle. Even the countries considered to be the most democratic have certain constitutional limitations. However, it is necessary to create institutional procedures for the assertion of these principles. Of course, there is no such thing as a 100 percent regulation. We must accept the fact that everywhere certain issues are always regulated together by power relations, the political situation, and the law. About the consensus, I would like to mention the fact that the party, the government, the National Assembly, and the nongovernmental organizations that are cooperating with the above bodies will all play a role in creating this consensus. Thus, in the future, these bodies will not only represent but also create the consensus in international issues.

[Varkonyi] What do you think about the world's reaction to these changes? Will not the world at large think that we might become so-called "unpredictable" allies and partners?

[Kotai] No doubt, the predictability of our foreign policy is most appreciated abroad. We regard this as a value that has become our moral capital accumulated through long years of determined work, and we must definitely maintain this capital. Consequently, chaos cannot be in our interest. It is obvious, therefore, that guidance will continue to be needed in this area. But we will have to place this guidance on new foundations in the new situation. If we accept the fact that "totalitarian" regulation is both impossible and undesirable in a society that is built from below and intends to rely on the citizens' self-organization, the guidance should strive in

the future to make sure that the international activity of the nongovernmental sphere as a whole contributes to the implementation of the main trends based on a social consensus.

[Varkonyi] Let me continue to be fussy. We have always used the "official" and "unofficial" categories. On the basis of what you have told us here, can I understand that these expressions will be given a new content?

[Kotai] I would rather say that they will regain their original meaning. Previously, the exaggerated centralism and rigidity in our political institutions did not allow any other possibilities for the public organizations except to represent the "officially adopted" "unofficial" position. We must advance and do away with the situation in which these bodies play only a transmitting role. I would mention here that we, the Foreign Affairs Department of the Central Committee gave up patronage long ago, and we have been striving for cooperation with these organizations by considering them as sovereign partners with independent initiatives. In my view, we should continue to create a broad understanding with these organizations in certain issues. However, this does not exclude, and even presumes, that, in other issues, as in secondary questions, there will be a clearly noticeable difference between the state and nonstate opinion, or, if you like, between the official and the unofficial opinions. Only in this way can these expressions have genuine meaning.

[Varkonyi] Everything is clear so far. If you allow me another, last question. On the basis of what you have told us here, will it be regarded as an action directed against the law when, let us say, an organization objects to certain foreign policy steps of the government?

[Kotai] I would again mention the importance of clearly formulating in our new Constitution the major principles that constitute the framework of our international relations. If an argument emerges, the court, for example, a Constitutional court, rather than the prevailing power, should decide on the matter. If the government is criticized for a certain foreign policy step, then it should be able to accept it, even if the leaders in question do not always like this. In my view, the importance of the aforementioned "official" and "unofficial" foreign policy concepts will be really asserted in such cases.

Minister Kulcsar, Official Hold Press Conference

AU1511085788 Budapest MAGYAR HIRLAP in Hungarian 11 Nov 88 p 1, 5

[Unattributed report: "Council of Ministers Holds Session—The Draft Bill on the Right To Assembly Recognizes the Possibility of a Multiparty System—Decision on Unarmed Military Service—Opinions About the Killing of Policemen—What Happened at Vorosmarty Square?"—press conference held by Government Spokesman Gyorgy Marosan, with the participation of Justice Minister Kalman Kulcsar, in Budapest, on 10 November]

[Excerpts] [Passage omitted] The government listened to a report presented by the justice minister on the draft bill on the right to assembly and associations. The proposals aimed at deepening democracy in the society and modernizing the political institutions. The draft law was preceded by a wide social debate. [passage omitted]

Justice Minister Kalman Kulcsar described the stipulations of the draft bill on the basis of which private persons as well as corporate bodies will be able to establish and operate new social organizations, including political parties. [passage omitted] Hungarian Radio: The newly established organizations will have to be registered at the respective county courts. Does this mean that a national organization, or a party, will have to be separately registered in all the counties? Kalman Kulcsar: National organizations register in Budapest in most of the cases. The registration of political parties will also take place here when the occasion for this arises. For the time being, the draft law stipulates the establishment of a separate regulation concerning the registration of political parties. Besides, the national organizations currently in operation will also have to register with the Budapest Court. [passage omitted] VESZPREMI NAPLO: Currently, there is a one-party system in Hungary, but, according to rumors, the Small Holders Party [Kisgazdapart] is legally still in existence because it was not liquidated at the time. How much truth is there in this? Kalman Kulcsar: The liquidation of this party, as of the other parties too, was not settled legally in 1949. It is true, however, that their foundation was not legally settled either in the period immediately following World War II. As far as I know, however, in 1957, every party that emerged in the period between 23 October and 4 November 1956 was dissolved, including the Small Holders Party. [passage omitted] NEPSZABADSAG: A legal order issued by the Presidential Council some weeks ago contains new regulations on firearms licenses. We have received many critical observations in this connection, like the fact that there will be no need for licenses in the case of gas-operated firearms. What is the position of the government spokesman on the issue? Gyorgy Marosan: Neither the recent session nor the previous one have discussed this issue, and thus I have no clearcut position on the issue. [passage omitted]

MSZMP Cites Position on Economic Policy

AU0811191888 Budapest NEPSZABADSAG in Hungarian 4 Nov p 4

[MSZMP Central Committee Position issued at the conclusion of the MSZMP Central Committee session held 1 and 2 November: "The MSZMP Central Committee Position on the Development of the People's Economy in 1988 and the Main Features and Means of Economic Policy for 1989-90"]

[Text] 1. At its meeting held on 1 and 2 November, the MSZMP Central Committee discussed a report on the development of the people's economy in 1988 and on the main features and means of economic policy for the 1989-90 period.

The Central Committee concluded that the economic processes in 1988 developed basically in the direction stipulated by the stabilization program, but these processes were not free from contradictions.

It can be concluded on the basis of the economic performance to date that the basic economic policy goals can be achieved in the year since the introduction of the stabilization program. The planned balance surplus in the turnover of goods accounted in convertible currency will be reached. As a result of rising interests rates and of a sudden increase in the use of convertible currency by the population in the wake of the new passport regulations, the budget deficit will slightly exceed the planned figures. Our surplus in the balance of payments within CEMA will decrease. Production growth is according to the plan. People are consuming less in accordance with the plan, but enterprise investments are increasing. All these factors are favorable for the continuation and implementation of the stabilization program. The fact that the economic organizations have achieved these results under radically changed economic circumstances and amid the introduction of a new tax system and several other new regulations increases the value of these factors.

Along with a favorable development of the main economic indicators, many new and inherited factors are hindering the stabilization process. The total of debts is very high and servicing our debts places great burdens on the country. Qualitative changes and the changes in our economic structure are inadequate. In addition to improved performance, the increase in our convertible currency exports can be explained primarily by favorable developments in the demand for our traditional export products and by favorable prices.

We have not yet succeeded in restoring our internal financial balance. There is a strong inflationary pressure prevailing in our people's economy. Money is spent in our budget lavishly; we have failed to adequately regulate the enterprises' purchasing power, and the proportion and distribution of incomes does not adjust properly to the goals of restructuring. All these things are hindering the differentiation of enterprises according to their efficiency.

It is becoming increasingly clear that the real burdens of our foreign debts, the limited opportunities of cooperation with CEMA, and our unsettled domestic financial relations make the implementation of our stabilization program more difficult than expected.

The government should continue the development of an economic atmosphere that provides opportunities for effectively managing economic units, encourages ventures, broadens the influence of market relations, and reduces sources of losses. It is necessary to reduce the opportunities for cases of central interferences and to strengthen the entrepreneurs' feeling of security by legal regulation of enterprise-budget relations. The existing law on business associations and the profit tax law due to be adopted soon are expected to increase the desire for ventures and promote the flow of foreign capital into the country.

2. The Central Committee acknowledges the fact that, in accordance with its previous positions, the planning organs analyzed the development possibilities of the coming period in two ways, which describe the possible ways of economic developments in the coming years. The essential differences between the two versions emerge primarily in the economic policy concepts and the economic management attitude, rather than in the numerical stipulations of next year's development.

The Central Committee supports the version which promotes greater economic restructuring, the development of market relations, the emergence of an entrepreneurial attitude, and building of a socialist market economy; the Central Committee will provide advantages for efforts in this direction in the everyday economic management.

3. The Central Committee:

—Supports the implementation of the policy of opening toward foreign economic markets, improving the export capability, increasing efficient exports, strengthening the import competition, and easing the obstacles that hinder our import management. The policy of opening toward foreign markets should not lead to uncontrollable tension in the trade balance and the balance of payments.

—Considers discovering further opportunities in our economic cooperation with the socialist countries to be a major task of the government and the economic organizations. In addition to the implementation of short-term trade and cooperation interests, it is necessary to initiate the development, broadening, and deepening of contacts promoting lasting economic development.

—Regards it necessary for the production policy and for the activity of economic management to focus on strengthening the economy's competitiveness, and accelerate production restructuring, and on broadening the scope of ventures that promote all the above. It is necessary to make it easier for the economic organizations and entrepreneurs to find resources and to ease the bureaucratic obstacles hindering our economic activity. This gives rise to differences in the performance and development possibilities of economic organizations which inevitable lead to tensions. It is necessary to achieve an adequate solvent demand by means of strict budget and financial regulations.

—Thinks that under the current economic conditions, we cannot yet count on having a perceptible economic growth and an increase in the domestically usable national income in the coming 1 or 2 years. Therefore, the state, the enterprises, and the population should

equally share the burdens inherent in the implementation of economic stabilization. In distributing these burdens, we should take into account the budget balance, the need to maintain the interest and capacity for action of the sphere of economic units, and the varying levels of burdens the various strata of the population.

The Central Committee considers the anti-inflationary economic policy and government attitude indispensable for economic stabilization. Only a lasting improvement in production efficiency and international competitiveness can lay the foundations for such a stabilization.

On the basis of the analysis of the current situation and of the requirements of stabilization, it is impossible to maintain the current standard of living, but the realistic goal is to have a situation as early as 1989 in which the decrease in the people's consumption and in per capita real wages will be smaller than this year.

The Central Committee considers it important to have a lower consumer price increase in 1989, than in this year's price increases. A part of the consumer price increases occur as a result of central measures. Some three-fourths of price increases in the sphere of basic consumer goods and services have to be compensated for. Particular attention should be paid to people with low pensions and assistance should be given to young people in getting their first housing.

In order to strengthen incentives for higher performance, the Central Committee supports a change in the wage mechanism in which the rigid regulation of wages would disappear. We need a wage mechanism which does not increase the pressure of inflation and in which the responsible coordination of interests between employers and employees plays a genuine role.

Along with encouraging an efficient use of the available manpower, great attention should be paid to creating the necessary conditions for the re-employment of released manpower and to introducing and operating an adequate system of retraining for people who cannot find jobs in their professions and a system of unemployment benefits for people in need.

The Central Committee finds necessary for the government to start solving the contradictions of the prevailing system of housing management on the basis of a long-term program.

It is absolutely necessary to improve the financial balance, particularly the state budget; this requires both a reduction in budget expenditures and an increase in budget incomes.

The Central Committee thinks it is necessary to accelerate and coordinate the preparation of the price, wage, and financial and distribution policy reforms.

4. The Central Committee is aware of the fact that the functioning of a system based on the new economic policy concepts involves serious economic and social risks under conditions of tense balance requirements. The Central Committee is confident that, amid more liberal economic conditions and a quickly changing public life, the economic organizations and the public and interest bodies will make use of the new opportunities with responsibility and political maturity in harmony with the country's difficult situation. Only in this way are there chances of making sure that the introduction of new conditions promoting development do not cause short-term tensions that would force us to limit the economic scope in order to defend our economic balance and to scrap the economic policy concept supported by the Central Committee.

5. The successful implementation of next year's economic policy is a much more complex task than previous ones, and requires a responsible political activity from the leading bodies of the party and from all the party members, and from public organizations, groups, and individuals that feel responsibility for and are ready to cooperate in improving the country's situation. The Central Committee calls for constructive cooperation in realizing our efforts and in easing tensions. The Central Committee agrees with the practice of the Council of Ministers in asking for the support and cooperation of the National Assembly in formulating next year's economic policy guidelines and the economic policy guidelines of years to come.

Unemployment Benefits To Begin 1 Jan

LD1111145088 Budapest MTI in English 1349 GMT 11 Nov 88

[Text] Budapest, November 11, 1988 (MTI-ECONEWS)—The government plans to introduce the unemployment benefit in Hungary as from January 1, 1989, a spokesman for the state office for wages and labour announced. This does not imply that the government would want to give up the principle of full employment, but that it regards temporary unemployment unavoidable as an unwelcome but necessary concomitant of the restructuring of the economy, the statement claims.

In 1987 and 1988 the retraining programmes of some 10,000 people were financed from the budget, so that those workers were able to take up new jobs with more or less equal terms of pay. About 10,000 new jobs are being created with a billion forint budget fund ($18.5 million) in regions hit worst by unemployment problems. Furthermore, interest-free loans are granted to those unemployed who intend to start a business of their own.

The competent government agencies maintain at this point that the unemployment benefits are not to be made available just simply as a citizen's right, at least not for the time being, but should have the sole function of replacing the temporary loss of regular work-related incomes.

Consequently, only such people are eligible to it who can prove at least two years' continuous employment, and less than one year's break since the time they lost their last job. Those who never had a job, like young people just out of school, would not be entitled to it.

Since there are still some 60,000 vacancies in the country, it is very important that first those be filled and only such applicants who remain without a job, be granted the dole.

The amount of the dole is to be computed in this pattern: in the first six months spent out of work, applicants be given 60-70 per cent of their former gross earnings, and in the second half 55-60 per cent. The maximum duration for which unemployment benefit can be drawn is one year, and people can apply for it only once in a three year period.

In 1989 the budget will finance the dole, but the solution is expected to be temporary. Similarly to the practice of the advanced industrial countries, from 1990 onward doles are to be paid from an unemployment relief fund which is to operate as a social security fund, with contributions from employees and workers too, besides the budget. When such a fund is created and becomes operational, the dole may also become a citizens right.

Jaruzelski Cable Congratulates Bush on Election

AU1411152488 Warsaw TRYBUNA LUDU in Polish 10 Nov 88 p 8

[Cable of congratulations from PPR State Council Chairman Wojciech Jaruzelski to U.S. President-elect George Bush on his presidential victory]

[Text] His Excellency George H. Bush, President-elect of the United States of America, Washington.

Your Excellency. On behalf of the supreme authorities of the PPR and on my own behalf, I congratulate you on your victory in the election to the honorable office of President of the United States.

I wish to express my conviction that thanks to the commitment you displayed during your highly meaningful visit to Poland, the relations between our countries will develop in the spirit of the historic traditions that join the Polish and American peoples.

I wish you further fruitful work for the good of the United States and in perpetuating and expanding the positive, peaceful trends in international relations. I also wish you health and personal success.

Please accept my sincere respect.
Wojciech Jaruzelski, PPR State Council chairman

Rakowski To Visit Austria 24-26 Nov

LD1411192288 Warsaw Domestic Service in Polish 1700 GMT 14 Nov 88

[Text] Premier Mieczyslaw Rakowski is to pay an official visit to Austria on 24-26 November, at the invitation of the Federal Chancellor Franz Vranitzky.

Student Organization Refused Registration

LD1411201888 Warsaw Television Service in Polish 1830 GMT 14 Nov 88

[Text] According to a decision by the head of the Socio-Administrative Department of Warsaw, an association calling itself the Independent Student Association has been refused registration. Among the grounds given, inter alia, we read:

An analysis of the submitted documents establishes that this application is an attempt to revive an organization dissolved 6 year ago. Despite this, the association has not ceased its activity, activity which is aimed against the legal order in force.

The decision is subject to appeal.

Walesa Accepts Miodowicz TV Talk Proposal

LD1511111588 Hamburg DPA in German 1023 GMT 15 Nov 88

[Text] Warsaw (DPA)—Alfred Miodowicz, chairman of the official Polish trade union confederation (OPZZ), today proposed a television discussion with Lech Walesa, leader of the baned trade union Solidarity. Miodowicz said in an interview with party organ TRYBUNA LUDU that programs and not structures should be discussed. However, he again rejected trade union pluralism.

Walesa has declared himself ready to appear before the television cameras with Miodowicz at any time. In a telephone interview with DPA he said: "I have repeatedly suggested this for the past 7 years and I am pleased the Miodowicz is at long last ready for it."

Walesa came from a workers protest rally against the closure of the Lenin shipyard in Gdansk. He said they now want to stop the weekly protest rallies until April, because the closure of the enterprise has effectively been postponed until the end of 1990.

Walesa Reaction to Shipyard Closure Viewed

PM1111081088 Paris LE FIGARO in French 9 Nov 88 p 3

[Thierry Desjardins dispatch: "Walesa Abandons Idea of Strike"]

[Excerpt] Warsaw—Walesa has backed down. He did not issue "the order to prepare a general strike" yesterday as he had threatened the government he would do on Sunday if it did not go back on its decision to close the Lenin shipyards.

The government has certainly not gone back on its decision, because the official spokesman said yesterday morning that the closure of the shipyards was "irrevocable" and Walesa merely said at the appointed time: "Strikes are the last resort in the struggle and, for the time being, we must struggle in a cautious way and by legal means."

Everybody is wondering about the reasons for this "climb-down." In Gdansk itself, some people are saying without much conviction that Walesa has received "guarantees" from the government. It is true that, before joining the 5,000 workers awaiting him inside the Lenin shipyards, the Solidarity leader had lengthy talks with Mr Tolwinski, the director of the shipyards. According to some reports, which are impossible to check, he said that although the shipyards would go into liquidation on 1 December, this liquidation process would last 13 months and that many solutions could be envisaged during those 13 months.

However, it is difficult to imagine that such "assurances" alone could have made Walesa go back on his decision to respond to the regime's "provocation" with a general strike.

The reason why Walesa "backed down" yesterday (to cite some young Solidarity trade unionists) is probably because he realized that his general strike would not be followed anywhere other than in the Lenin shipyards themselves.

Walesa is known not to be in favor of this strike. He said so again last Saturday. It was only under pressure from the Gdansk hardliners that he resigned himself to threatening the government on Sunday.

According to one of Lech Walesa's close aides, the trade union leader will give his verdict on the possibility of a new wave of strikes in Poland on 15 November. The Nobel Peace Prize winner wanted an additional week to think before asking the workers to resort to this means of exerting pressure on the government. [Passage omitted]

Liquidation of Zinc, Lead Mill Planned

LD1411192988 Warsaw Television Service in Polish 1830 GMT 14 Nov 88

[Excerpt] Another enterprise will be liquidated. Here are the details:

The zinc and lead mill is one of the departments of the Orzel Bialy mining and steelworks in Piekary Slaskie. On the recommendation of the Katowice Voivoda the minister of industry has taken the decision to liquidate it. The main reasons were high production costs and a threat to the environment. Zinc, lead, and sulphur are being released into the air from the works. The amounts considerably exceed all norms. [passage omitted]

Rakowski Broadcasts Address to Nation 12 Nov

LD1411215488 Warsaw Television Service in Polish 1900 GMT 12 Nov 88

[Address to the nation by Premier Mieczyslaw Rakowski—live or recorded]

[Text] Good evening, ladies and gentlemen. I would like to report on what we have done during the last 2 weeks. Undoubtedly we have made progress. The press, radio, and television have reported extensively on the government decisions that are beneficial, I believe, to society and the economy. So I will not list all these decisions, as there are many of them. However, I would like to draw your attention to some and to comment on them.

The first, probably the most notorious, concerned the liquidation of the Lenin shipyard in Gdansk. I will return to this later.

The second concerned price rises for agricultural produce, cereals, rape, sugar beet, animals for slaughter, and milk. I believe that the farmers received this decision positively, well, or very well. Maybe they expected more but, generally speaking, one always expects more than one gets. However, we cannot see today any other possibilities. I also believe that the farmers will do everything to supply more to our market, especially to the meat market. This is a very important, I would say, a national issue. We all know what problems the population has to obtain meat. Ladies who wait in line know it best. These lines are our nightmare. We will try to reduce or eliminate them. However, when it comes to lines at the butchers, unfortunately meat supplies cannot be improved instantly. Time is needed. Of course, one should add that a proper agricultural policy—we are trying and will try to pursue such a policy—can speed up the process of increasing meat production in Poland.

Another decision concerned the liquidation of eight mining companies. The matter was very notorious and discussed for many months, particularly in the mining circles. The liquidation will result in the reduction by 850 of jobs in the administration, excuse me, by as many as 950. Also it should be added here that the administration of the Polish coal, Polish power industry and lignite corporations will be reduced by 40 percent. When this decision was announced I heard that one could call it a bad deal. But it is not so. The problem is that in our conditions in Silesia—I mean here the coal exrtraction, the geological situation or the geological location—such companies which manage the life of mines are needed. For that reason, to replace these mining companies five multiplant enterprises have been created. Finally, the last very important decision from the view point of environmental protection, is the decision on the liquidation of Siechnice steelmill. The process of liquidation has been scheduled for 2 years. The nature of the problem is that this is the only foundry in Poland which produces ferroalloys needed by industry. Because of this, production and employment will have to be reduced gradually and ferroalloys will have to be purchased abroad gradually for hard currency. As regards hard currency we have virtually next to nothing, which is why the foundry cannot be closed overnight, because then it would simply not be possible to produce the goods which require the ferroalloys.

As can be seen from this short list—and let me recall that there were many more economic decisions—the government has focused its attention on economic matters. I would like to add here that in the near future two very important bills will be sent to the Sejm: one on enterprises, and one on foreign capital. The latter concerns conditions in accordance with which foreign capital can be used in the Polish economy.

Are we doing right by concentrating on economic affairs? I have heard a complaint to the effect that Rakowski's government belittles the importance of politics and concentrates only on economic matters. I am of the

opinion that the changes being carried out, the changes that are clearly needed—and everyone is convinced of this—as a matter of fact create real, firm and strong foundations for the political reforms being realized in Poland and which will be realized, because such is the need not just of the moment but of the era in which we live, or this phase of socialist development.

These changes in the economy are also needed for the roundtable, and in particular for the successful conclusion of the debates which will no doubt take place at such a table, because it is my view that such a roundtable will take place. But in the meantime it is the government's duty to create facts. They count most of all, and I believe that society expects and counts on them.

Anyway the public opinion research which we conduct systematically, just lisiening to what the public is saying, shows that this course, that is, concentration on economic matters, is received very well, or well. Anyway, we notice a growing interest in the government's economic policy.

A moment ago I said that I would return to the matter of the Gdansk shipyard. TRYBUNA LUDU on 10 November published an article entitled: Who will buy us? The headline states: It is people who are now the most important at the Lenin shipyard. The article starts with a statement by a shipyard worker, Wladyslaw Krasnopiorko. I quote: Great harm has been done, particularly to older people. I go to the job exchange office. I look at the offers at the gate. Almost each one says: age up to 45 years and good state of health. I am 57 years old, and my health has been ruined in this shipyard. I am a shipyard worker and I can do nothing else. What sort of prospect do I have today? Who will buy us, people like me?

Well, out of concern about this and in order to prevent a breach of employee rights and of the dignity of the working man, and so that his future would not seem uncertain to him, I have decided to send my representative to Gdansk who will supervise the package of issues connected with reemployment of employees of the liquidated shipyard.

I am now, of course, thinking about next year which is already on the threshold. What do I consider most important for the coming year? It should be a year when we actively put things in order. Also, in this activity next year we should be guided by the slogan that it does not have to be worse in Poland and that it can be better. Thinking about next year, I ask myself a question, or in fact many questions. Among them there is the most important one: To what degree can we summon up our courage to move toward normality? What does this mean? For example, can one already seriously consider the abolition of meat coupons, for their existence is not normal. Or, can one abolish gasoline coupons, because it is not normal either. Another question: how to divide in the fairest way what Polish workers manufacture? This duvet is extremely short. It often resembles a duvet for an infant, with which a tall man measuring 1.80 meter or 1.90 meter wants to cover himself. And how to cope with bribery destroying the moral tissues? I have to ask myself many such questions. I do not have answers to all of them, but answers must be found.

Finally, the last matter I want to mention tonight. This matter, maybe, is not closely connected with the government's activity, but it is important to me. Well, every day I receive a considerable number of letters expressing support for the government's policy and for me personally. Thank you very much for these numerous signs of support and good wishes. In such letters a question often recurs: I want to help you, please tell me how to do it. Well, my reply is quite simple: If everyone who addresses such question to me convinces someone in his milieu about the merits of the policy of the government which I am heading; if he manages to convince this person that it is worthwhile to put his trust in us, that it is worthwhile to support us actively, this will really be a great help, for which I sincerely thank him in advance.

However, there are also other letters, anonymous letters. There is a variety of such letters. I would call them well-wishing. The authors do not sign their names but write in these letters what we should do, give various pieces of advice, suggestions, and hints. I also thank them for this kind of attitude toward the government.

There is a second group of unfriendly anonymous letters. There are not many, which I note with satisfaction.

Finally, there is a third group of anonymous letters, about which I would like to say a few words. These are denunciatory anonymous letters. Apparently, someone stole something here; this one stole something; another is in some clique or supports a clique. One writes about various infamies in this type of anonymous letter. I want to say that I throw this type of anonymous letter in the bin and will continue to do so. In a word, I do not use them. I will also issue an instruction to subordinate administrative bodies to pay no attention to this type of anonymous letter.

The point is this: First, the checking of such anonymous letters requires time, human energy, and money. Often it must be sent more than once to one commission, and another commission. Very often it is also transpires that it was written by someone who simply had his own so-called personal grudge against someone and wanted to do harm. Following this research, it transpires that the accusations are untrue. Well, I wish that the person who really sees and perceives evil fights it on the spot. If for various reasons he cannot do this, then let him write to the appropriate authorities, but not anonymously.

And so with this I end my talk with you, esteemed compatriots. I wish you a peaceful night and a pleasant Sunday. Good night, ladies and gentlemen.

Rakowski Addresses Voivodas, Mayors

AU0311211588 Warsaw TRYBUNA LUDU in Polish 27 Oct 88 p 3

[PAP report on speech delivered by Mieczyslaw F. Rakowski, chairman of the PPR Council of Ministers and PZPR Politburo member and Central Committee secretary, at a meeting of the Council of Ministers held on 24 October]

[Text] As we already reported, voivodas and mayors attended a meeting of the Council of Ministers that was held on 24 October.

In his speech, Mieczyslaw F. Rakowski, the chairman of the Council of Ministers, recalled that the meeting was taking place following another political crisis. This was reflected in the resignation of the government announced by the Sejm, the acceptance of the resignation, and the formation of a new government. I know most of the voivodas who are taking part in the session, and I promise to get to know the others. I am counting on cooperation that is based on mutual trust and support for the goals that we are striving for. I am also counting on relations being based on complete and absolute sincerity. I consider conferences and meetings with voivodas an important instrument in the system of ties between the center and the regions. I am opposed to all forms of theatricality at such meetings. Speeches at our meetings should be as short as possible. I propose that they last 5 minutes. The point is that we must not allow Poland and ourselves to get caught up in nothing but talk. We will continue the practice of holding conferences with voivodas, not just at the national level, but also at the regional one.

I do not think that there is any need for me to justify my statements about the government consistently implementing the program for the reform of socioeconomic life. We will try to make society believe that our only goal is improving its well-being.

All of us here know what brought about the change of government. The government's resignation was preceded by violent criticism in the mass media and at various meetings. This was reflected in the stance of the OPZZ. Was this criticism always just? I do not want to get involved in this, but I think that it has to be said that Prof Messner's government had very many achievements to its credit, and there is no way in which they can be erased. We are not starting from scratch. The criticism of the government and its actions was undoubtedly stepped up as a result of the decisions concerning prices and incomes that were made in February of this year, as well as a general negative attitude toward the authorities that exists among some sections of society. I would add that if we do not take steps to alter this attitude, then it will not be possible to attain the goals that Poland has ahead of it. This is already the second week since the government was formed. I think that you will share my view that all that took place in connection with the formation of the new government aroused a great deal of public interest. This is definitely a positive phenomenon. Of course, this is not positive for me personally, although a premier's position and society's attitude toward him is important. It can be said that we have made some inroads into public opinion, but it must be borne in mind that support can easily shift, and attitudes toward the government and certain unconventional personnel decisions can change very quickly, and the question that then arises is what next? Is it possible to maintain or even boost the interest that I mentioned? I think that it is possible, but it depends solely on how we act, on whether we make decisions that will expand these inroads into confidence and hope. This depends primarily on the governing team here in Warsaw, and perhaps on you, the representatives of the authorities in the regions, even more so. How should one assess the current situation in Poland? It is certain that political dangers still exist, because of current social attitudes. It should not be forgotten that the causes of public dissatisfaction have not been eliminated yet. It would be a fatal mistake to believe that a change of government alone could provide a basis for greater hope. The majority of society expects concrete action, that is, action that will change that part of reality that is unbearable. We do not have much time to show that we can be trusted. In actual fact, we do not have any time. The effects of the various actions that we will take will only appear after a certain time, and time is something that cannot be bought anywhere, however much one is willing to pay. So, as we do not have any time, we have to do everything possible to engender and strengthen a belief among the public that we are moving forward and that we are not limiting ourselves to duplicating current reality. So, I am an advocate of energetic action on the part of our representatives in the regions—the voivodas and mayors.

What are the most important things today and tomorrow? I do not intend to provide a list of priorities, because I already spoke about them at the Sejm. Let us begin with economic performance for the last 9 months of this year. Again, I do not intend to provide a detailed list, because I think you are familiar with the communique issued by the Main Office of Statistics. Thus, briefly, the upward trend in output has been maintained. There is a possibility that we will able to exceed annual industrial production tasks. The accomplishment of plan tasks relating to foreign trade is proceeding well. The fact that output has risen more rapidly than consumption of raw materials and energy indicates that it is possible to improve efficiency during this year. These are undoubtedly positive aspects of the economic situation that is taking shape. However, that is only one side of the coin. There still continue to be what are definitely negative phenomena. They pose a constant threat to people's standard of living, the growth of output, and improving efficiency. This applies, above all, to a group of phenomena that produce inflationary wage and prices growth,

which in turn disrupts economic equilibrium. The inflation problem is undoubtedly the most serious and most awkward problem that the government faces. Curbing inflation is the most pressing task, but one that is difficult to accomplish.

I would like to draw attention to several issues. Increasing production is the main task for today and for tomorrow. Of course, this does not mean increasing production at any price, but at the price of a great effort and a brave break with stereotypes that have existed for many years. There are still great reserves in the Polish economy and this is true, above all, with respect to the economic use of raw materials. We have become accustomed to being wasteful. This has already become something of an objective law of socialism. We have been repeating for years that this is something highly reprehensible. We compare ourselves with other countries, and complain that the FRG uses less energy and lower amounts of raw materials, but, nevertheless, this does not cause us any sleepless nights. Economic policy, which can only boast of very modest results in this area, certainly does not deserve an A grade. In my opinion, however, the greatest reserves exist in people's minds. The highly developed world, which we sometimes envy for its technological progress, came about thanks to a spirit of restlessness, to innovative individuals, to people who are bold, who courageously attack opportunism and do not give in, in the face of difficulties or authority. I call on voivodas, but not just them, to support every initiative that guarantees higher output. If you encounter obstacles or complaints to the effect that this or that cannot be accomplished because of regulations, resolutions, or laws, inform me and my ministers. If you encounter resistance of the "it cannot be done" kind in ministries, then inform me. Suggest ways of removing what causes bureaucratic delays. The mass media report instances of patent stupidity every day, but this is something that is done less frequently by the authorities, although they do, after all, include intelligent people. Every day I look over bulletins requested by the Government Press Office. I find myself reading about facts and practices that clearly run counter to common sense. Why do we tolerate stupidity?

In light of what I have been saying about greater output, I would like to say a few words about foreign capital. At the moment, we are preparing improvements to the draft Sejm law that has already been submitted to the Sejm. I considered them necessary, because the best possible conditions have to be created for foreign capital. I went to the congress for representatives of Polonia firms in Poznan not because I wanted to earn some applause, but because I wanted to encourage the audience there to step up their presence on Polish soil. However, let us take a look at how these things look in practice. Polonia firms are unevenly distributed partly because there are voivodships in which they are still considered some kind of ulcer on the body of socialism. Their presence is restricted for the sake of ideological purity. You surely cannot accuse me of being someone who fails to appreciate the importance of ideology, but so far ideology has not fed anyone or filled up shop shelves. It has to be remembered that the most one can do is to ensure that one's own needs are taken care of. Of course, we cannot allow ourselves to be treated like naive children. The path for foreign capital can and should be clear for everyone who wants to invest in what the Polish economy needs and is ready to make profits not through wheeling and dealing, but by producing. There has been no shortage of wheeler-dealers any time in history. They not only operate in the sphere that I have been talking about. There is no lack of them in the state sector, and what fine examples there are, too! More than one of them would get first place in a competition with capitalists. We should not consider everyone who turns up in Poland to have the mentality of a thief.

What has to be done to increase output? Above all, we need to go about implementing the economic reform with determination. It has to be said that leasing loss-making restaurants and small enterprises is proving to be a tough proposition. The elimination of unnecessary intermediate structures is also hard work. I expect voivodas to come forward with proposals and voivodship authorities will be held to account for the implementation of the economic reform, and not in general, but solely in concrete terms. I would like to say that we are still in a tight corner all the time.

There is no plan for the consolidation of the economy that will get us out of this tight corner, if we do not really concentrate on changing what I would call our philosophy for running the economy. We also cannot count on getting large credits. We must tackle reality with our own hands. We have to squeeze all possible reserves out of the Polish economy. This will be genuine, if we depart from the habits that have been duplicated over the years. This calls for courage, because people are reluctant to abandon what they are accustomed to. Who can be the driving force, provide the impetus that forces there to be progress? Of course, it cannot be someone abstract. It must be someone concrete. It should be you, the elite of the state authorities.

Comrades, we also face the urgent task of having to reduce employment in ministries, voivodship offices, and various institutions, and social organizations. We have to introduce more rational employment and create a labor market. Everyone says that this is the way things should be, it is just that one cannot see the effects of the widespread complaints about the overemployement that exists. A further important issue is that of waging an effective struggle against bureaucracy. I read a report on a recent voivodas conference. It was chaired by Prof Messner. The governors reported how many tons of paper were used for the printing of instructions, various publications, and reports. Are all these things necessary? The struggles against bureaucracy cannot amount to merely reducing the number of posts. Of course, what we have to do above all is to eliminate the sources of

bureaucracy, that is, the current concept of running public life. Do you come across silly directives? Make suggestions to us about ways of eliminating and changing what you find illogical and what gives rise to so-called bureaucratic time wasting. We are the prisoners of bureaucracy. If I were to read everything that appears on my desk, every day would have to have 48 hours instead of 24. Every office considers it appropriate to show that it is necessary, that it operates perfectly, and that it provides material. We must put a stop to all of this.

In the last part of my speech I would like to provide an answer to questions about why the economic reform gives rise to pessimism instead of optimism. I think that this is something worth thinking about. Is the main reason for this the growth in prices, the irritation caused by shortages of goods, and the fact that here and there a plant or a department is at a standstill, because some raw materials are in short supply? These are not the only reasons. It seems to me that the main reason is that people fail to see the important changes that are taking place in everyday life—changes that cover more than just prices and wages. I think it is because society now associates and earlier used to associate changes in the way that we govern with the economic reform. Government, comrades, is a very broad concept. The most important things in this respect are simple and logical laws, resolutions, and directives—ones that are intelligent and can be understood by every citizen. When I pick up some laws, resolutions, and directions I cannot make any sense of them. They are written in a kind of jargon and language that means we would have to have legal advice bureaus in every town and commune to interpret the many laws and directives. I once referred to the law on private activity that was approved by the National Home Council in 1946. The law took up half a page in our official gazette. Nowadays, our laws are lengthy legal works, which often run to several dozen pages. That is the road that we have travelled. If a citizen picks up one of these laws or decrees, he feels lost. It confirms his belief that he is defenseless with respect to the official. The authorities appear to him to be some kind of incomprehensible, sinister force. On top of that, there is the fact that legislation lacks cohesion and that laws can be retroactive. I would like to say that if anyone intends to pass decrees and laws that have a retroactive force, then they should consider their future. I recall a certain event that took place a few years ago. I was a deputy premier at the time. A certain comrade visited me and we talked about government. At some point I asked him to look out the window. I asked him whether he could see a passer-by. I said that I would like to know what he thinks when he looks at this building. Perhaps he thinks Rakowski is sitting in that building with his militia, his security services and his various apparatuses behind him, and what has he, the ordinary man in the street, got? The dry paragraphs of the Constitution and the complaints bureau. We have to imagine ourselves in the position of that passer-by and view everything that we do from his perspective. If we do not act this way, then it should come as no surprise that the citizen should feel alienated. If there are comrades in the government who complain about the bad luck that they have had, and there are such comrades, then they should change their lot. Is that not true? They should think about whether the burden of power is not too heavy for them. Others can be found to take their place.

Comrades, governing means ensuring that citizens receive efficient service at the post office, at the bank, that services operate well. There is a long way to go before we attain this efficiency. Governing means dealing with things right away and in a way that is in keeping with common sense. It will be no big deal if the decision made by some voivodas or mayors runs counter to some existing senseless decree. I would like to see a stop to those practices that mean that a matter is dealt with over weeks and months, that it is sent from one desk to another, and that the citizen wastes his time and gets infuriated in the process. These appear to be minor matters, but they are important for people. The prospects of being able to raise the standard of living over the next few years are minimal. If that is the case, then what can we do to win society's trust? Can we do this with one, two, or three speeches? Speeches have a limited range. I know that.

Governing means talking a plain, fresh, and, above all, concrete language. Say something, then do it. In my opinion, the citizen has had enough of the talk that we are democratizing, consolidating, decentralizing, harmonizing, self-governing, checking, deciding, supervising, implementing, struggling with bureaucracy, and comprehensively solving. Just take a look at our language. The citizen says: I have heard this a hundred times before. They are always talking about developing and democratizing, but next to nothing actually changes. So, for the citizen it goes in one ear and out the other.

Governing means accepting the principle that everyone must do his own duty. The voivodas and stewards must not expect their secretaries to deputize for them, and secretaries must do what is written for them in the resolutions of the party congress and the Central Committee plenums. I think we must uproot people's accustomed conviction that everything is determined only by the party committee. This conviction does exist, and that is why people often refuse to believe your avowals that you are really independent. I am saying this in the interest of socialism, the party, and the allied forces. I have not the slightest intention of antagonizing the forces that function in the setup of power. The only thing I want to do is to ensure that everyone knows that, for example, when Comrade Jaruzelski said that the party would not act as an insurance policy for the government, this correct statement should be observed by all echelons of power.

Finally, governing means putting things right side up again and returning to normality. It was no accident that I spoke of that in the Sejm. We must draw the necessary conclusions from that. To recapitulate: We are still in the

deadly embrace of routine, despite our efforts and the good things we continue to do here and in the field. We must also be aware of the fact that workers are convinced that those in power—in this case the cadre—violates their dignity, that just decisions are often utopia, and that arrogance is again rearing its head. Someone may say that I am exaggerating, but I am not, because people make complaints and accusations too often for them to be considered exaggerated or demagogical accusations. There must be something in them if they are made so often. I could back up my statement by volumes and volumes of the results of the public opinion polls carried out indefatigably by Colonel Kwiatkowski. It is time to deal with those results, and he who refuses to pay attention to them should consider whether there is a place for him in the power apparatus. But let me go back to my question. I think that the economic reform is losing its battle not because its assumptions are incorrect, but because people treat it as just another task and not as a historically justified necessity to transform the awareness of society. Where should this awareness begin to be transformed? Primarily in that segment of society that exercises power, because later on this segment determines the nature and depth of changes in the awareness of smaller and larger communities. The economic reform is losing its battle, because, as I think, it is only too often that it reduces changes in the area of awareness to economic instruments. These instruments are necessary, and we will use them with most resolute consistency, but this is not all by a long chalk. We must center our attention on man, who must not be viewed in the categories of the economy alone.

It is beyond our strength to radically improve people's living conditions within a brief period of time, but I think that we can still achieve a very great deal in ensuring that man knows that we care for and respect his dignity at every step. If man feels that we care in that way, he will not regard himself alienated. If we fail to show that care in the coming months, then we will have to reckon with the collapse of the hope that a segment of our society attaches to the new government. Of course, it is not the government and myself that are at stake. What is at stake is the fate of people's power, because the struggle for people does not involve only the struggle at the roundtable, which we most certainly need. That collapse of hope will mean that the PPR is to enter yet another stage of destabilization. Finally, there is no doubt that the political adversary's influence would greatly increase. We must make efforts to improve the system by which we can influence and run the life of society. That is our historic duty.

Urban 4 Nov News Conference Reported

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[Report on 4 Nov news conference given by government spokesman Jerzy Urban; report by Jan Rozdzynski and Jaroslaw Szychlinski]

[Text] Warsaw, Nov. 4—A preliminary evaluation of prime Minister Margaret Thatcher's visit, forecasts concerning the development of Polish-British relations, the liquidation of the Gdansk shipyard were the main topics of today's press conference given by Government Press Spokesman Jerzy Urban.

Margaret Thatcher's Visit

At the beginning Urban said that the visit was too important for its results to be fully evaluated already at the moment of its conclusion. We will keep returning to this visit and we will certainly be able to present in the future a deepened analysis of its results, Urban said.

Urban added that Wojciech Jaruzelski, sharing with him his impressions about the visit, expressed considerable satisfaction with the opportunity of meeting Mrs Thatcher and the possibility of holding long and sincere, meaningful talks. In Wojciech Jaruzelski's opinion they enabled both sides to beter mutually acquaint themselves with their respective points of views. General Jaruzelski got the impression that Mrs Thatcher, just like us, attaches considerable importance to the development of mutual relations and is of the opinion that they have a wider than just a bilateral meaning, that they have an international dimension, that they are important for the development of European matters, especially on the East-West line, Urban said.

It was an important visit, the first ever visit by a British prime minister to Poland. The future will show whether this first visit will have a historic dimension. This will be decided by the results of the prime minister's visit, the substance it will create in mutual relations, the character of the development of relations between our countries.

General Wojciech Jaruzelski and Premier Mieczyslaw Rakowski found convergent the two sides' points of view on many important issues concerning bilateral relations and the international situation. A kind of joining hands over matters separating us has taken place. Both sides expressed, for example, the view that the division of Europe should be overcome, of course with the observance of all national and political differences which exist on our continent.

Both sides expressed the view that above the existing differences there still exist issues of a superior character such as disarmament, civilizational challenges, protection of the environment, the future position of Europe in the world which is becoming differentiated. Relations between Poland and Great Britain are important also for the reason that Great Britain is the closest ally of the United States with which it has special relations based on particular confidence. Poland's position in the alliance with the Soviet Union is to a certain degree similar. Poland is linked with the Soviet Union by the convergence of the process of transformation and deep political and economic reforms. This encourages the building up of closer links between Poland and Great Britain. For these ties can be one of the important levers for the successful development of East-West relations.

The talks also concerned the processes taking place in the Soviet Union and the Western countries. Both sides stressed the enormous importance of Soviet policy and Mikhail Gorbachev's initiatives on the international arena and in internal policy for the strengthening of the proceses of detente and disarmament. The Polish-British talks also confirmed the bilateral will of developing cooperation in science, culture and education. The talks also concerned problems of an economic character. Experiences were exchanged, Urban said.

Mrs Thatcher talked, among other things, about her economic policy and processes that had changed the economic face of Great Britain. We briefed the British prime minister on our reforms, plans and instruments we are going to use to make deep transformations in Poland. The prime minister spoke about her experiences in achieving success in economy, about her government making progress through consistent activity.

The encouragement to act consistently was received with attention and readiness by the Polish side, Urban stressed. We have found our attitudes towards the question of economic effectiveness showing some similarities. A conviction was also expressed that there is a possibility and common will to broaden Polish-British economic relations in various forms.

The sides agreed that the joint venture formula was promising and able to create better investment conditions for foreign capital. They also assessed the growth of trade turnover between the two countries and stated that it can be further increased while striving to fuller engage the British skills in joint undertakings in Poland. They discussed the internal situation in the two countries. Each of them has its own problems, Urban said.

Mrs Thatcher showed interest in Polish political reforms and the process of agreement. She wished us that the reforms succeed and she warmly wished us success in reaching the national agreement. The visit was short but full of talks. Mrs Thatcher got acquainted with Poland, our possibilities, the multitude of views occuring here and with versatility of these views and strivings. In the talks with Wojciech Jaruzelski, the British prime minister positively assessed the direction of Polish reforms.

The visit created the possibility for Wojciech Jaruzelski and Mieczyslaw Rakowski to hold many-hour talks with Mrs Thatcher. This produced a kind of personal, human texture that is of key importance in politics. According to our assessments, Polish society welcomed Mrs Thatcher with kindness. This first visit by a British prime minister may become a historic visit providing it leads to the tightening of relations and influences Poland's contacts with other Western countries.

Many questions addressed to Urban were connected with Mrs Thatcher's earlier views on the influence of political and personal freedoms on the overcoming of economic difficulties. On such a general plane there are no differences between us, Urban replied. However, they concern detailed issues and the interpretation of these notions. He added that this was a normal thing.

Replying to a question whether it could be thought that the visit was more important for British public opinion than for bilateral relations Urban said that he did not approach Mrs Thatcher's visit this way.

The visit was profitable, it created considerable hopes in all planes which were discussed though the talks did not concern the details of any undertaking. The sense and rank of this visit are to pave the way in the field of the development of economic, cultural, scientific cooperation.

Speaking about the prospects of Polish-British relations Urban said that a condition of their improvement did not have to be any contemporary "Marshall Plan" but cooperation concerning the interests of both sides in areas traditionally profitable for Poland and Great Britain.

With considerable skepticism the government treats the successive conditions being made by the West for an improvement of relations which concerns, for example, the freeing of the so-called political prisoners, the improvement of relations with the church, etc. Out of the settlement of relations with the International Monetary Fund many Western countries make a criterion of progress in bilateral relations. Meanwhile, political will is necessary.

In reply to a question whether the British would actively help in the overcoming of Poland's economic difficulties Urban said that the future and Great Britain's attitude would show.

Replying to a question concerning the issuing of British visas to Poles travelling to Great Britain and the possibility of a bilateral elimination of the visa requirement Urban said that the Polish side would favour such a move and that it was ready to eliminate visas on a reciprocal basis.

Several questions concerned Mrs. Thatcher's views on "Solidarnosc" in Poland and the decision on the liquidation of the Gdansk shipyard. In reply Urban said that Mrs. Thatcher's views on "Solidarnosc" were received by the government without surprise since they have been known to it for a long time. On the other hand, speaking about the liquidation of the Gdansk shipyard, Urban stressed that this was a final and irrevocable decision.

Commenting on Lech Walesa's statement in which he protested against the closure and demanded its retraction prior to the "round table" talks Urban recalled that it was decided already earlier that the talks are to take place without any preconditions while the "Solidarnosc" activists were multiplying such demands.

The "round table" is to serve the reaching of agreement on a proreformational plane. Seeking agreement against the reform is not the striving of the government and is pointless, Urban said.

He also informed the participants that a decision on the liquidation of another enterprise—the "Siechnice" steel mill in Wroclaw, has been made.

Transcript of Urban's 8 Nov News Conference
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[Transcript of press conference by Government Spokesman Jerzy Urban at the INTERPRESS Center in Warsaw on 8 November]

[Text] Minister Jerzy Urban met with Polish and foreign journalists at his press conference. We present a transcript of it:

GLOS ROBOTNICZY: In which industrial branches can one expect the first closures of inefficient enterprises, and how many might be closed this year?

Urban: It is difficult to say which branches, because there are inefficient enterprises in every branch. There are particularly many such branches in heavy industry. It is not necessarily a question of closures. In a few weeks' time, the Ministry of Industry will publish a list of about 100 enterprises in the most difficult economic situation. Decisions and procedures will be various. An enterprise might be subject to closure, or a merger, or various other remedial measures. It could become a company, or receive an influx of funds from outside. There will be no fixed pattern. However, the interests of the work forces will always be considered and protected. In any case, it is in their interests that these enterprises should alter their economic structure and organization, because the government will be determined to abolish subsidies, and without this economic support many enterprises could disappear. Therefore, it is always in the interests of the workforces that remedial measures take place and the best possible use be made of production assets.

Kay Withers, BALTIMORE SUN: You mentioned various methods such as closure, restructuring, and mergers. But which of these applies to the Gdansk shipyard? According to the communique, the shipyard is to close on 1 December, but it is also being said that thousands of employees will continue working at their present jobs. In that case, will the shipyard continue to exist as a shipyard, will it continue to build ships, and will the present 20 percent devaluation of the zloty against the ruble have any impact on the shipyard's productivity?

Urban: On 4 November, the minister of industry issued a directive, No 113, which appointed Czeslaw Tolwinski, the shipyard's director, to be its official receiver. The shipyard will go into liquidation on 1 December, and the process will be completed by 31 December 1990. The receiver has started to develop a plan for the emergence of new production plants with a new organizational structure on the shipyard site, and by the end of the year he will submit for approval by the Ministry of Industry a plan to reallocate liquid assets, dispose of fixed assets, and pay back the creditors. I wish to stress that the decision to close the Gdansk shipyard is final and irreversible. I stress this doubly. Today in the shipyard, there was a rally attended by 3,000 workers out of the 8,000 on the first shift. This rally was dominated by the slogan "Closure no, restructuring yes." That is not a correct way of putting the matter, because closure will simply lead to a restructuring of the real production assets which the shipyard consists of.

So far, 11 enterprises have offered to take over the shipyard's assets for the purposes of other types of production. For example, the "Igloopol" combine wants some of the sheds and production machinery in order to manufacture equipment required by the agriculture and food industry. "Igloopol" is guaranteeing to shipyard employees that if they join "Igloopol" they will receive the same or even higher wages than before. The Katowice steelworks, in concert with the German Krupp concern, has offered to buy some of the shipyard facilities. The cellulose plant in Kwidzyn has offered to organize production for the needs of the paper industry. Similar offers have been made by a Swedish firm in Gotheborg and a West German firm in Bremen. There are various other offers as well. Right now preliminary talks are underway. These will last until the end of December, after which the kind of program of disposing of the shipyard's assets will be announced that is to the best advantage of the economy and the shipyard.

As far as today's rally is concerned, it was attended by Lech Walesa. However, he did not implement the announcement he made yesterday, 7 November, whereby he would put the whole of Poland on strike alert and declare a strike 1 week later. There was no call for strike action as a protest against the economic reform, which proves the presence of commonsense and realism, as well as an understanding of the fact that the strikes must affect the strikers most of all, or else we will fail to carry out any economic reform, and there will be no conditions for political changes either. The protests adopted at today's rally are meant to take the form of a legal, signed petition on the subject of the enterprise, to be placed before the Constitutional Tribunal for consideration. One must express satisfaction with this sensible procedure. Slowly, we are all learning democracy.

Today, a small group of hotheads in the refitting dock has attempted to call a strike today, demanding considerable wage increases and a withdrawal of the decision to close the shipyard.

Because of these events, one should also note a statement by my colleague, the U.S. State Department spokesman, who said that the decision to close the Gdansk shipyard at a time like this was an unfortunate one. He never said

anything during the earlier closures of 10 enterprises. He did not consider the closure of the Siechnice steelworks unfortunate. In any case, it is a rare occurrence for a diplomat from across the ocean to assess detailed economic moves in another country, especially when this comes from the lips of a spokesman who has been encouraging us to undertake determined reform activity.

In various parts of Poland, people interested in the closure of the shipyard are taking advantage of it in order to scare employees in other enterprises that their jobs are also at stake. This fear is unjustified. As I said, the Ministry of Industry will shortly issue a list of about 100 enterprises in danger of their existence. These plants will be restructured, closed, merged, split up, or subjected to other remedial measures. The decisions can be various. In any case, I repeat that the interests of the work forces will be fully secured. I repeat that all these operations, designed to prevent closure, will be in the interests of the work forces, because they are meant to make the best use of production assets, as in the case of the Gdansk shipyard. The point is to guarantee better prospects for the workers, because the government is abolishing subsidies for plants that are seriously ill or dying. In fact, the government is reducing all subsidies. So what kind of prospects would the employees of collapsing enterprises have were it not for the new production programs, new structures, and, in many cases, new capital?

One more remark about the shipyard. I have found a press item from the 6 August issue of LITERATURA. It is an interview given to this weekly, which, by the way, became extinct a long time before the shipyard and for the same reasons, by Stefan Kisielewski, perhaps the most fervent supporter of capitalism among public figures today. This what Mr Kisielewski says: "This is one of the points on which I disagree with 'Solidarity'. In 1970 and in 1980, everything started in the shipyard. In 1970, Mr Jaszczuk, Gomulka's economic adviser, investigated the situation and said quite correctly that our shipyards are outdated and unprofitable. He said: Why should shipping workers receive bonuses if we are paying to keep the shipyards open, and in foreign currency at that? As a result, the best-paid shipping workers, the elite, came out in revolt. Now it is exactly the same. We have a crisis, which has shown that the expansion of industry was based mainly on doctrine and not on economic principles. We need food, not shipyards. Yet 'Solidarity' is defending its situation in a way that contradicts economic principles. Therefore, it is probably not 'Solidarity' that is restructuring this plant." Kisielewski concludes: " 'Solidarity' has entangled itself in its own contradictions." Although I think this is an extreme thing to say as far as the shipping industry is concerned and the government does not share this view, this passage is worth quoting because it points to certain contradictions that have also made themselves known at today's rally in the Gdansk shipyard.

I did not answer the question about the effect of currency exchange rates on the profitability of the shipping industry. I only want to point out that shipping production has been preserved to a major degree. I simply do not know how to answer an intricate question about financial considerations. Whatever these considerations are, and they vary from one shipyard to another, the decisions that have been made possess solid economic justification.

John Tagliabue, THE NEW YORK TIMES: You said something about firms likely to go into liquidation. Minister Wilczek recently mentioned a list of about 150 Polish plants that have serious problems with profitability. He said that about two-thirds of all coalmines are running at a loss. He also mentioned the Katowice steelworks and Bierut Steelworks in Czestochowa, which receive major subsidies. The Paris Commune shipyard in Gdynia receives a subsidy twice as high as the Lenin shipyard in Gdansk. So what are the economic reasons for closing the Lenin shipyard? Why was this enterprise selected for closure, and not some other enterprise with a worse economic situation?

Urban: You could ask the same question whatever shipyard is closed. You could ask: Why this one, and not some other? It is very difficult to compare shipyards with steelworks or coalmines. But it is easiest to compare their situations with that of the Paris Commune shipyard, which is indeed in a very bad situation, and perhaps ought to be the first to be closed, instead of the Gdansk Lenin shipyard. However, there are two reasons behind the government's decisions. First, the Gdansk shipyard is surrounded by other shipyards that are capable of acquiring that part of its assets that are not suitable for any other kind of production. For example, one cannot manufacture agricultural machines in a dry dock. The Paris Commune shipyard is all on its own, so it would not be possible to transfer the Lenin shipyard's assets there. Second, the Paris Commune shipyard is equipped with much more modern equipment and is less outdated, so it seems to have better chances of repairing its economic situation. Finally, the shipping industry is dependent upon itself, and the closure of the Lenin shipyard will, we hope, help the Paris Commune shipyard, which has a very serious shortage of manpower. So it will be possible to transfer some of the cadres there, and perhaps some essential production equipment as well. This way, the Paris Commune shipyard will become stronger. No economic decision concerning any single enterprise is taken in isolation. It has to be considered against the background of the entire industrial branch in question and the entire economy.

Unprofitable coalmines. This unprofitability is a relative issue because coal is an exported commodity. Therefore, one has to make a so-called constant economic analysis and calculate how much the economy would suffer through a shortage of energy sources or shortage of coal imports. The current decisions to abolish mining companies and create a certain number of mining enterprises or combines in their place, each consisting of a certain number of mines, would make economic sense because it would give a new lease of life to those mines where coal

extraction is so expensive that they have no chance of survival on their own. I admit that organizational measures are a somewhat artificial way of making sure a mining combine is profitable, but Poland cannot afford to close down every single mine in which coal extraction costs are above the national average. However, we are implementing a program to increase extraction and not to expand any mine, especially those that are unprofitable. In a nutshell, the key matter in the fuel economy is to save fuels and produce equipment that leads to fuel savings. One possibility in the Gdansk shipyard is to manufacture equipment that would cut coal consumption in industry.

Boguslaw Turek, UPI: I have two questions, the first one is about the shipyard. What political advantages do the authorities see in closing it?

Urban: The authorities see no political advantages.

Turek: My second question is about the "roundtable." Mr Stelmachowski has allegedly become a mediator between the church, the authorities, and 'Solidarity', and that there is a slight chance that these talks will start. Could they also start without 'Solidarity'?

Urban: I do not think there would be much sense in holding a "roundtable" attended by just General Kiszczak and my friend S. Ciosek, and perhaps an OPZZ representative as well, because there are other tables at which they can meet. We do not intend to hold a meeting with each other, and there is no point of a meeting with a political spectrum similar to that of the Consultative Council. What we want is a "roundtable" in which the opposition that respects the country's legal and political order is well represented, and we are ready to start these talks any time. However, we will only do so in accordance with the principles presented by Gen Kiszczak. In other words, it must be a meeting of people who respect this legal-constitutional order, and it must have no preconditions. Right now, these preconditions are piling up. The latest precondition presented by Walesa is a reversal of the decision to close the Gdansk shipyard, which is a major step along the path of reform. This gives me no cause for optimism about the "roundtable." Breaking the principle of meeting without preconditions signifies an overturning of the "roundtable."

As far as reversing decisions is concerned, I have the following to say: Not so long ago, Premier Rakowski offered representatives of the opposition a part in his government. The answer was no. Those members of the opposition who think that the decision to close the shipyard is wrong or possesses a sharper political undertone should consider that the government might have found it more difficult to take this essential economic decision if members of the opposition belonged to it. As Mrs Thatcher said in Gdansk, empty chairs do not talk. But let us go even further back. Earlier, these very same people boycotted the new trade unions in 1982, they decided not to build their trade unions on the platform proposed by the government in February 1982. When the new trade unions, most of which are now represented by the OPZZ, did emerge on the basis of the 1982 trade union act, instead of joining them, dominating them, and implementing their union program through them, key 'Solidarity' activists boycotted them. They also boycotted the referendum and elections, and refused to join the previous Sejm. Now that there is a chance of a "roundtable," they are again saying no. It is our firm will to conclude a national accord, a new division of authority in the state, a change in the political attitudes of exercising authority, and profound economic reforms. I am not sure that Polish society is forever condemned to be represented by people belonging to the other side who say no all the time. Perhaps a national accord, an accord between representatives of various political orientations within society, will have to be concluded with the opposition of the past, with young people, and not with people who fought in lost battles.

Boguslaw Turek, UPI: Last week, you promised me you would answer a question about the association of Polish legionaries that was declared illegal in August, in a year that marks the 70th anniversary of Poland's independence. Is this not some mistake?

Urban: The association of legionaries existed before the war. It did not resume activity after it, so it was struck off the register in 1947. In 1980, the Krakow Voivodship Office was informed that an old association of legionaries was still active on the basis of a statute of 1938, but the office failed to establish such activity. It turned out that it was merely a figment of someone's imagination, unconnected with reality. However, in 1987 and 1988, the very same person told the socioadministrative department of Krakow that there was an active Krakow Association of Legionaries, whereupon a directive was issued saying that this association possessed no legal existence and its activity was against the law. An appeal was made, and last August the minister of internal affairs turned it down. That means there was no question of registering the association, because no one had applied to do so. The question involved a recognition of legality on the basis of a statute from 1938. The voivodship office rejected such a proposal.

Dag Harlvorsen, ARBEIDERBLADET: After your latest expose, I have to alter the tone of my questions somewhat. If you really think one has to hold a dialogue with the new opposition, does that mean that the government is aiming for a confrontation with the opposition of the eighties, and after this victorious confrontation it will be ready to start dialogue with a new opposition? At least that seems to be the political sense in closing the Lenin shipyard.

Urban: That was not a question. I think my good friend Dag has merely quoted a part of the commentary he is writing on the subject of the situation in Poland. We are not aiming for any confrontation. I am simply stating with disappointment that we are not succeeding in

attracting Mr Walesa and his friends to the "roundtable" and that they do not seem to have the inclination to come and sit at it. This "roundtable" and this offer are open. What I said were not words of confrontation. What I said was that we have to look to the future while bearing in mind the numerous unsuccessful attempts to talk to these people in the past. We want them to change, to stop being politicians programmed to say no. I think today's retreat from the threat of strike action may turn out to be symptomatic of a certain change in attitudes, but it is difficult to conjure up political conclusions on the basis of today.

Renate Marsch, DPA: Was the decision not made somewhat rashly? The first communique stated that only those vessels that are in the process of being built will be completed. However, a few days ago Mr Tolwinski, the shipyard director, said that 18 contracts with the Soviet Union will be fulfilled. In other words, these ships will be built. Who is going to build the ships if the work force is going to be encouraged to move to other shipyards, to the "Paris Commune" shipyard, for example? Second, you said that it is very difficult to work out how profitable mines are, because what they produce is for export. As far as I can remember, the Gdansk shipyard also produces for export, that is, it exports to the Soviet Union. How can you work out how profitable the shipyard is? Why is the Northern shipyard more profitable, as it works—we have been told this on several occasions—for the military? So, how do you work out how profitable a shipyard is?

Urban: It is too soon to say when the ships will be built and what organizational structures will be involved. That depends on the closure program, which will also determine if and when, for example, the Northern shipyard takes over equipment and machinery from the Gdansk shipyard, and if it does, which orders it will take over and which orders will be fulfilled by other shipyards. Some ships will undoubtedly be completed by the Gdansk shipyard while it is being liquidated. There are plans to transfer orders to other shipyards. In short, these are detailed matters connected with the closure program, which, as I said, will be drawn up by the end of the year. Second, one can work out how profitable mines are. I only wanted to say that unfortunately we are forced to maintain mines in which extraction costs are very high, although I do not exclude the possibility that we will stop mining seams when costs are extremely high. Profitability cannot be seen solely in terms of extraction costs and current market prices: The dollar earnings that coal exports guarantee also have to be taken into account. However, this does not mean that is impossible to work out how profitable a mine is. The point is that in working such things out we cannot employ solely those criteria that would be appropriate if Poland were free to obtain hard currency for every commodity that it produces. This also applies to working out the profitability of various shipyards. Repair yards are the most profitable, whereas the Lenin and Paris Commune shipyards are the least profitable.

Eugeniusz Smolar, BBC Polish Section: In today's edition of ZYCIE WARSZAWY, Foreign Ministry Spokesman Staniszewski gave a very positive assessment of Prime Minister Thatcher's visit to Poland. Perhaps credit and financial issues were the only exception, these issues having been raised on several occasions, including Mrs Thatcher's television interview. Are there any aspects of the visit—the course of the visit or the results that it produced—that the PPR Government believes were unsatisfactory or could have been better?

Urban: After every visit, or almost every visit, it is possible to say that the results could have been better. Of course, we would have liked the visit to have yielded more significant results, such as concrete moves in various areas, both political and economic. However, we consider the visit to have been one that has given an impetus to the development of cooperation. That aim was accepted by both sides. It was the first contact that we have had at the highest political level, and we did not expect any miracles. We did not expect the first meeting between the leaders of both countries to mean that the we would immediately, at once, be able to make up the ground that had been lost in cooperation over a number of years.

At the last press conference I provided an extensive assessment of Mrs Thatcher's visit to Poland. I keep to that assessment, and I have been reading the British press with interest. A variety of opinions have been expressed in it. The Labor Party press, or part of it, has been very critical of Mrs Thatcher's visit to Gdansk and her meeting with people who describe themselves as trade unionists. I have read some astonishing, even shocking, views in that press, statements to the effect that Mrs Thatcher's visit to Gdansk recalled a visit by Hitler. There were some comparisons with Hitler, and similar kinds of peculiarities that are a part of British political folklore. We can understand Labour Party justified reservations with respect to domestic policy. At present I am examining the repercussions of the visit, we are studying the press and we are preparing for various further moves that would aid Polish-British cooperation.

John Daniszewski, AP: You keep repeating that it is "Solidarity's" fault that the "roundtable" has not started. But was it not the government that presented preconditions first, insisting, for example, that Messrs Michnik and Kuron be excluded from the "Solidarity" delegation? Do you not think that the decision to close the Lenin shipyard is, in a certain sense, a provocation? And if the government is seriously interested in these talks, can it not find a way of shaping a climate conducive to them?

Urban: That is correct, the government did present preconditions first. They were contained in Gen Kiszczak's statement, which gave birth to the entire "roundtable" issue. What I mean is, they were the kind of preconditions whereby, for example, we were inviting to the talks people who respect the law and constitutional

principles, and we also voiced the general principle that we were willing to talk to anyone and that we were not imposing any preconditions ourselves. This formula of Kiszczak's was accepted by the partners. The preparations for the "roundtable" are based on this acceptance. In other words, our preconditions have been formulated and accepted. Our preconditions are that there be no preconditions. In view of this, now that the other side (though there are many sides, in fact) is presenting, if you pardon the expression, preconditions, it is violating the principles on which the "roundtable" concept is based.

There is nothing personal about the dispute concerning the names of participants. This dispute is merely about the political scope of the "roundtable." It was possible to avoid this issue by means of talks via mediators, but there is no point in going back to something that has failed. I protest vehemently against the statement that the decision to close the Lenin shipyard in Gdansk is a provocation. Never for a moment did it enter our minds to suspend the reform because of a meeting between distinguished people. In accordance with society's expectations, we are determined to push the reforms through to the very end, and every 2 or 3 days we announce decisions that are followed by successive moves. Other decisions are designed to give the reform new impetus and militancy. No proreform move is a provocation against anyone. All these moves are quite simply necessary for the sake of national interests, including for the sake of improving the quantity of food on the table in everyone's home, as Premier Rakowski said. I am surprised by commentaries whereby the decision to close the Lenin shipyard has poisoned the atmosphere. That is a misunderstanding. A certain economic-organizational entity is being eliminated. A shipyard is a place where various elements publicize their feelings. The history of this place is a rich one. The first ship was launched there, the place is named after Lenin, and the August accords were formulated there. But this place is not disappearing from the face of the earth, nor are the production halls, the people, or the coast. A certain organizational-economic system is disappearing. An enterprise is being eliminated, not the place, nor the machines, nor the people. Therefore this is a malevolent interpretation.

Is there any way of improving the climate? Really, it is not we who are ruining it, really not. I know of no move by the authorities that could make it look as if we are ruining it. If we have increased our determination to carry out the reforms, then I think it is we who are meeting halfway the consensus meant to be finally reached at the "roundtable." Practically every partner due to meet at this table has called out: Faster! Be more determined, consistent, and radical!

Alma Kadragic, ABC NEWS: Mr Minister, you are certainly not a naive person, and none of the people you work with are naive by any stretch of the imagination. That is why it seems rather strange that the decision to close down the Lenin shipyards was not a political decision, but a 100-percent economic decision. Even if we were to believe such an assertion, your position is different, because you have the necessary knowledge of Poland and you are and were absolutely aware of the fact that such a decision was bound to produce certain associations of a precisely political nature. With that in mind, I would like to ask you why it was that the government did not in any way decide to commit the shipyards' workers—both those from Solidarity and those from the new trade unions, that is, from the OPZZ—to the process of making the decision to close the shipyards. Why did the government go for the method of the accomplished facts and not for some other form of making the decisions in question?

Urban: My answer is that if the government conceives the intention to close down a plant, it would be unrealistic for it to assume that its intention could at all be discussed with the work force of the plant to be liquidated and that it would be possible to obtain the work force's approval of such a radical measure. World experience shows that there is no precedent for the fact that the work forces of the plants to be liquidated are ready to agree to liquidation. I do not know whether what I have just said is the most accurate analogy, but there is something in what I have said. Another thing is that the decision was not a bolt out of the blue. The intention to liquidate the shipyards was submitted for discussion several months ago, and all shops of the shipyards held meetings to discuss that intention. The shipyards began devising or actually did devise an alternative plan providing for restructuring measures and, recognizing that it was economically right to liquidate the life of the shipyards, the shipyards themselves worked out their own proposal for solving the issue of their economic existence. The previous government examined the two alternatives and the present government has studied both of them and has decided to choose the more radical alternative, one that had been worked out at the government level and had been presented to and discussed by the press. The government took that action simply because it declared that it was going to cut short endless discussions and to take immediate action, and that this action was neither its last radical nor the most shocking measure one could expect. Prior to the decision to liquidate the Gdansk shipyards, 10 other plants were liquidated, but they were small or medium-sized plants and for this reason did not attract the attention that the Gdansk shipyards have attracted. We have liquidated the Siechnice metallurgical plant. We estimate that people's reaction to the liquidation of the Gdansk shipyards is good and favorable in most cases, because people expect us to take such measures, such resolute measures. People's reaction to the liquidation of the Siechnice metallurgical plant in Wroclaw was also generally good, primarily for ecological reasons, but it was not uniformly good. The reaction of the Katowice people to the decision to liquidate the Siechnice metallurgical plant was bad, because people in Katowice and in the surrounding areas take the view that there are many obsolete plants in Silesian towns and that these plants are a source of unusually strong pollution of the natural environment

and that it is an injustice to liquidate certain economic assets in Wroclaw, where the ecological situation is not as bad as it is in Katowice. Those assets should have been liquidated in Katowice instead. In this connection I wish to state that, for the benefit of the government, the Katowice Voivodship authorities are working out proposals for the following measures: to liquidate or to change the production lines, to halt unclean methods of production, and to rapidly eliminate the pollution emitted by some old plants situated in the center of towns. We will soon publish decisions made on these measures.

Juergen Dietrich, DEUTSCHE ZEITUNG: Mr Minister, to what extent is the new government bound by the results of last year's referendum?

Urban: In general, the new government pays much more attention to the moods of society and is trying to closely toe the line of public opinion. In its activities, the new government also takes into consideration the results of last year's referendum, which was a very crucial expression of public opinion. However, let me remind you that the referendum results were not legally binding on the government, and that is why the its results amounted only to a poll of public opinion. You see, the necessary majority of respondents that would be legally binding on the state authorities, including the government, was lacking. The referendum questions which the majority of respondents answered affirmatively were: Do you agree that decisive political reforms should be carried out? Do you agree that decisive economic reforms should be carried out? Most respondents answered these questions in the affirmative, and that is why the government continues to take action in the spirit of the answers to those questions.

Yusif Mahi, WAFA: Mr Minister, can you tell us how many workers will lose their jobs as a result of the decision to close down the plants you mentioned and the Gdansk shipyards? I am certain that a welder from the Lenin shipyards will not want to work as a cabinet maker.

Urban: No worker will lose his job as a result of the decision to close those plants and the shipyards. I have already mentioned that there are 30,000 jobs waiting for workers in Gdansk and its surroundings. An enormous number of workers commute to the shipyards or live in Gdansk as subtenants. Most of these people will be pleased to take satisfactory jobs in their home towns and places of residence because this will be to their advantage. Individual problems are just beginning to be solved. There is a great demand for various skilled workers from the Gdansk shipyards. It is probable that some locksmiths will have to change their skills and become cabinet makers and vice versa. Some locksmith may want to change their skills because it could be that a firm may use the shipyards' shops for the production of furniture and may pay much higher wages. In a word, efforts are being made to create advantageous opportunities for new jobs, not necessarily in a new place or town because the place will be the same and only the employer will change. People in Gdansk estimate that the job opportunities for shipyard workers are good or very good, but that such large-scale changes may produce dissatisfaction and may make some people lose something and some people gain something. However, on the whole there will be no problems, and this fact was one of the crucial premises that have made it possible to take such radical economic measures.

Peter Johnson, GOTEBORGS POSTEN: Mr Minister, could you give us the name of the Swedish firm that has already offered to acquire some assets of the shipyards? Has that firm declared its readiness to begin production on the shipyards' premises after they have been liquidated?

Urban: Yes, that firm has made an offer, but I cannot divulge the name of the firm because everything is still being negotiated. I have mentioned only one name of a Western firm.

Jackson Diehl, THE WASHINGTON POST: Mr Minister, there has been a certain misunderstanding here in connection with the plan to close down the Siechnice metallurgical plant in Wroclaw. That plan and the intention to close down the Siechnice plant were announced as long as a year ago and have been subjected to very serious discussions. It seems that the discussions turned around exactly the same plan that has now been put into effect. In this connection I would like to ask you why this was precisely the moment to make that decision and whether there have been any changes, compared with that plan, concerning the Siechnice foundry's closure, which has been publicly announced, including the publication in the press. Could it be that the simple reason for closing that foundry at that moment was to tone done the impact of the announcement that the Lenin shipyards would have to be closed down, and to create the impression that the decision concerning these shipyards is simply one of the various measures to liquidate various enterprises?

Urban: First, it is not our intention to tone down the impact of the announcement that the Lenin shipyards are going to be closed down, because, as the spokesman for the government, I wish to state most candidly that this liquidation is a measure that makes credible our determination to carry out our reform measures. The previous government continued to be accused for years of restricting itself to merely drawing up projects and uttering words. We have begun to prove that our policy will be based on resolute deeds, of which there have already been quite a few. As for the liquidation of the Siechnice metallurgical plant, the decision is nothing new, because the voivodship people's council and the city people's council had previously passed resolutions to that effect. However, although the issue required certain decisions at the government level, the previous government did not make them, and that is why, having

taken over that long overdue issue, the present government has made a quick decision to liquidate that foundry, because it wanted to improve the ecological situation in Wroclaw, because people put forward determined demands that the foundry be liquidated, and because the government wanted to demonstrate its respect for the decisions made by the local elected authorities. I would not regard the liquidation of the Lenin shipyards as one of the most important measures of the present reform measures. Other decisions and their various results are also under way. The most recent decision concerns the liquidation of industrial guilds, and its purpose is to introduce the economic reform into the mining industry, a measure for which Mr Bobinski, who is not present at this conference, has militated for so many years. Many measures are being taken in this connection, but because they are not very attractive, the foreign press has not taken any interest in them. At present applications have been made to the registration courts in Katowice and Walbrzych to cross out 11 enterprises under liquidation from the registration records. Stock-taking commissions have been appointed, decrees about new enterprises have been issued, and measures to take over production assets have been initiated in that connection. Deputy managers and chief book-keepers of the divided and merged enterprises will be recalled in November, and managers will follow suit. I have with me quite a few lists of measures to be taken in this regard. Workers self-management bodies will be organized in the mining industry by February 1989. Other decisions to be made include those on abolishing the monopoly of procuring farm produce. I think that these decisions combined with changes in procurement prices and with reductions in the prices of plant protection chemicals are economically and socially the most important decisions that the Rakowski government has made in the few weeks of its existence and activities.

Satala, GAZETA KRAKOWSKA: Mr Minister, I have two questions to ask of you. At one time we had coalmining associations and then coalmining guilds, which have now been liquidated and which have been replaced by the enterprises that are to be in charge of coalmines. Does the fact that bodies supervising the coalmines have been left in existence contradict the spirit of the reform, which seeks to ensure the independence of enterprises?

Urban: It does not. Certain forms of associating coalmines are indispensable for the most various reasons, including production reasons, because individual coalmines are in a way united by underground corridors, share various problems, use various common services, and so on. Certain forms of association of coalmines are also justified by economic reasons. There is a full economic and organizational justification behind such association. The simple fact is that we have to search for such forms of organization that help to promote the performance of coalmines, without creating unnecessary structures that act as mediators between the center of economic policy and the independent enterprises.

Satala: My second question: Is it possible that Minister Wilczek's announcement that large amounts of crude oil would be imported into our country might signify the abolition of gasoline rationing"?

Urban: This is possible, but you should not expect it to happen very soon. Plans in this regard turn around the principle that the interests of car owners are not harmed now in any way.

Marzena Guz, Radio Polonia: Mr Minister, my question is about something else altogether. As you know, Romania is now introducing the so-called program for restructuring the rural areas. That program involves many Hungarian villages, and it is said that two Polish settlements, which have existed in Romania since the end of the 19th century, are also affected. Do you have any information about the fate of the Polish ethnic minority in Romania?

Urban: I am sorry, but what you have just said is complete news to me.

Jeni Dobra, NASHINON PABLIK DEBLJU: Mr Minister, you have again stated today that the workers of the liquidated Lenin shipyards would be ensured work with the same wages as they receive now or the same jobs as now, but with different employers and in different localities. However, the information which we continue to receive directly from those workers who have tried to find new work, tells us that it is not true that 30,000 vacancies are waiting for them and that actually the jobs they are being offered are the jobs that they were offered a long time ago —jobs that are not really attractive and that carry lower wages. Could you make a comment in connection with all that?

Urban: Yes, I can. The simple truth is that at a moment when appeals for job vacancies are made, the institutions that find it difficult to recruit the workers they need are the first to offer jobs. This fact cannot be considered to determine the general situation, which continues to change. The press has reported that shipyard workers continue to be offered only jobs such as gardners in the city parks. The simple fact is that because the city park administration is always short of workers, it was the first to offer jobs, which it has every right to do. Generally speaking, offers of other job vacancies continue to increase, and this is especially so in the case of other shipyards. But the offers of job vacancies in the new firms that will locate their production in the various former shops of the Gdansk shipyards will be truly attractive. Some such firms, including the firm Igloopol, have announced in advance that their wages will be as good as, if not better than those in the Gdansk shipyards.

Boguslaw Turek, UPI: Mr Minister, as everyone knows, the Lenin foundry in Krakow continues to poison the natural environment and to destroy the city of Krakow. The organization Solidarity is strong in the Lenin

foundry, and the foundry itself continues to produce a larger deficit than the Lenin shipyards. In view of all that, is it possible that that the Lenin foundry will also be closed down shortly?

Urban: I am unable to confirm that the Lenin foundry produces a larger deficit than the Lenin shipyards. It is impossible to close down the Lenin foundry, even if this were economically right, because that foundry is the only producer of steel for so many enterprises that even the short-term strikes in it have caused enormous secondary economic losses. However, we have programs for modernizing the Lenin foundry and for changing its structure. Please ask the foundry's management or the ministry in charge of it to give you more details in this connection. The Lenin foundry is also in need of an enormous number of workers, who might come from the Lenin shipyards.

Kay Withers, THE BALTIMORE SUN: Mr Minister, I have two questions, which are slightly different. One question refers to the death of that militiaman in the Stalowa Huta plant. It has been alleged that the authorities have refused to supply full information on the course of the investigations into this case. Could you tell us about results of those investigations?

Urban: The investigations in question have followed three hypotheses: that Lieutenant Turbakiewicz was fatally hit by a bullet that was fired accidentally; that he was shot in a premeditated way after his gun had been taken from him; and that he committed suicide.

The investigations took such a long time because 200 witnesses had to be questioned. Only seven out of 200 witnesses reconstructed the course of events as eyewitnesses. Their depositions produced two versions of events. One version alleges that Lt Turbakiewicz was being led away a group of between 11 and 19 persons, who took hold of his arms and continued to push him. At one moment a shot was heard, and the persons holding him dispersed. The second group of witnesses maintains that Lt Turbakiewicz, who was being led to the gate, unexpectedly drew a pistol from under his coat and shot himself in the head. The prosecutor takes the view that these depositions are doubtful, because they differ on some crucial details and because they have been undermined by the results of the lie-detector tests and by the circumstances or rather the mood in which the investigations were carried out. Investigations are continuing, and efforts are being made to establish the versions of events to a sufficient extent to be able to eventually determine the penal responsibility of the persons who might be directly responsible for Lt Turbakiewicz's death. When it has been possible to establish who is guilty in line with the penal law, work to draw up charges will begin. Such is the present stage of the investigations.

Kay Withers: My second question, Mr Minister, should not surprise you, because I am the only person who has ever asked you about such issues. You see, I have learned that the registration of the planned homosexual association in Poland has been refused on the grounds that such registration would endanger public morality. What was at issue was the association of homosexuals, and not homosexuality as such, because it has already been legalized. In view of the fact that almost every movie shown in Poland nowadays includes the so-called sensitive moments, and in view of the fact that a magazine entitled SEKS - CIALO - PORNO is on sale here, could you tell us what you mean by the term public morality? You see, I am not quite able to understand the term public morality under these circumstances.

Urban: Insofar as I know, that association has not been granted registration because the authorities responsible for registration have decided that social customs and the scope of social tolerance in our country are not yet ripe enough to countenance the functioning of the organizations you have in mind. I am hard put to evaluate the decisions made by the authorities in question. Since we may hope that a new law on associations will be adopted, it is possible that the decision in question will cease to be valid in the light of the new legal enactments.

Jackson Diehl, THE WASHINGTON POST: Since the law on associations has been mentioned, could you confirm that the government continues to be ready to submit the bill on associations to the Sejm before the end of this year, and whether this could also apply to the laws on the enterprising spirit and on economic activities supported by foreign capital in Poland?

Urban: My answer to your question is yes three times; just as was the case with the first referendum.

Stefan Dietrich, FRANKFURTER ALLGEMEINE ZEITUNG: Mr Minister, the Friday press in the coastal areas did not contain a single word about the visit of the prime minister of Great Britain to Poland, and did not even print one word about General Jaruzelski's arrival. Could you explain to us who was responsible for such strange conduct of the journalists in the coastal areas and for the fact that it was impossible to buy any national press dailies in the INTERPRESS Press Center in Gdansk? What reasoning did those responsible follow?

Urban: I have no knowledge of anything at all, and I do not understand any of this at all. You say that it was impossible to buy any dailies. I do not understand anything at all in this connection. The simple truth is that I know nothing about the facts listed by you. I do not understand what prompted you to ask such questions.

Stefan Dietrich: Mr Minister, someone already told you today that you are not naive. But please do not think that we are naive. Of course, what I have said is common knowledge, and even the radio, which you often listen to, reported these facts. That is why I take the view that you know about these facts and are able to answer my questions.

Urban: If you put it this way, perhaps I have really misunderstood the meaning of your questions. I have understood your questions to mean that the local press did not report the visit to the coastal areas by Prime Minister Thatcher. I am hard put to believe that although I have not read any of the press from the coastal areas. I have also understood your question to mean that it was impossible to buy Warsaw dailies in the coastal areas in connection with or because of the fact that Thatcher's visit was taking place there. I do not know anything at all about these facts. Nor am I able to imagine that it really happened.

Renate Marsch, DPA: Please forgive me for asking you now to tell me whether I have rightly understood that those 18 vessels for the USSR will not be built by the Lenin shipyards and whether these construction contracts may be fulfilled by other shipyards. You see, from what Manager Tolwinski said over the shipyards' radio network, is quite clear that the Lenin shipyards are going to build those vessels.

Urban: According to the Government Press Bureau's report about the liquidation of the Lenin shipyards or to the information that was available to us when we compiled that report, the vessels that are to be finished by the end of 1990 will be built within the framework of the Lenin shipyards' organizational structure, which does not mean that orders will not be accepted and contracts will not be fulfilled. Only when the redevelopment of the shipyards is completed at the end of the year, will we know which orders will be transferred organizationally or wholly to other shipyards. All this will be a question of decisions connected with liquidation procedures. This shows that your question is somewhat premature. What can be said at the moment is that it is necessary to complete those vessels whose construction has begun so that we have no amputated stumps of something that could have been vessels, because production in this area is being reorganized.

Smolar, BBC Radio: Agriculture has only been mentioned very briefly. After several years of good harvests, statistics from official sources seem to indicate that the situation has deteriorated. Among other things, meat procurement is supposed to have fallen by 30 percent. Could you confirm this? At the same time, can one expect the government, which is displaying such great determination and resolve with respect to industrial enterprises, to take similarly radical steps to free agriculture from bureaucratic shackles. I do not only mean production and procurement, which you mentioned, but also the whole processing sector, and more concretely, will the so-called Tarnobrzeg experiment be extended to cover the whole country?

Urban: The results obtained by agriculture this year were in fact worse than last year. However, they were not as bad as you said. Procurement of meat has fallen, but certainly not by as much as you said. A 30-percent drop would be catastrophic. I do not have any information here, but I would be glad to make some forecasts for this year. Freeing agriculture from various kinds of shackles will now be pursued rapidly and resolutely. A whole list of economic moves can be envisaged, including the transfer of resources to industries that produce goods for agriculture and to those industries that process agricultural produce—that is a top government priority. I think that it will very shortly be possible to say that all the obstacles and difficulties affecting agriculture have disappeared. However, I cannot give as precise an answer as your question required, that is, whether this process will take the form of the experiment that you mentioned.

ZWIAZKOWIEC: Does the decision to close the Siechnice steelworks mean that other plants that pollute the environment will also be closed shortly? Would this accord with the views and calls expressed by the OPZZ, which has for a long time maintained that without the allocation of resources for the modernization of industry and the removal of environmental threats, it will be necessary to close many plants or reduce their output? How does the government intend to solve this problem, and to what extent will the government acknowledge the views of the trade unions?

Urban: Decisions are being prepared in the Katowice conurbation. Resources allocated for environmental protection will be significantly boosted. This emerges from draft plans for next year, and even more so in the long-term. That is to say, the government is taking account of the calls voiced by trade unionists, but it must also take account of them in their entirety. Trade unionists want real wages to grow, not fall, and they want there to be an abundance of consumer goods, but these objectives are often at variance with environmental protection objectives. It is the government's job to strike a balance between these objectives, so that trade unionists' demands can be met insofar as this is possible and sensible. This will be done in close consultation with the trade unions. To put it more simply, it is sometimes possible to close a smoky factory in line with trade union calls and then to hear charges from trade unions that the employees are experiencing difficulties and some kind of material inconvenience as a result, or that some social need is no longer being met. Decisions of this kind are not cost-free; closure decisions are costly. They are costly, in the same way that providing industries with equipment that cuts down the emission of pollutants is costly.

John Daniszewski, AP: The U.S. presidential election is being held today. Could you comment on the election from the viewpoint of which candidate—Dukakis or Bush—the Polish Government has a preference for? It is being said that Bush is the more favored candidate. Is that true?

Urban: The Polish Government does not elect the President of the United States. It is customary for the Polish Government not to interfere in American affairs in such a clear way. The Polish Government would be grateful for some reciprocity in this respect. The Polish Government wishes to cooperate with any president the American people elect. If Bush is the victor, as the forecasts being made in America suggest, then we acknowledge that the fact that he has visited Poland and became acquainted with some aspects of Polish affairs is a factor that may aid Polish-American cooperation.

Ceausescu Interviewed for Lebanese Paper

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["Comrade Nicolae Ceausescu's Interview to the Lebanese Weekly LA REVUE DU LIBAN," given on 26 October in Bucharest]

[Text] As was announced, on 26 October Comrade Nicolae Ceausescu, RCP secretary general and president of the SR of Romania, received Melhem Karam, chief editor of the Lebanese weekly LA REVUE DU LIBAN, and granted him the following interview:

Question: Much esteemed President Ceausescu, for us you are a personality whose name is written down in history forever. You have always acted in favor of peace and for the Arabs, you have had and continue to have a very favorable attitude and we, the Lebanese people, love you very much for it. Likewise, it is well known that in the past 23 years, under your leadership, Romania has gone through a strong process of development in all areas.

With great respect, I would like to ask you, Mister President, to describe the successes achieved by Romania to the readers of the publication LA REVUE DU LIBAN and—if you agree—tell us what you consider to be the most important social, economic, and urban achievements in the period since you have been leading your country and people?

Answer: In the 44 years that have elapsed since the anti-imperialist and antifascist revolution for social and national liberation, Romania has achieved great revolutionary changes and, in this short period, it has traveled through several stages of socioeconomic development—from a poorly developed agrarian country it became an industrial-agrarian country, with modern and developed industry and with socialist agriculture whose progress is in full swing; from the bourgeois-landlord system, Romania passed to building the comprehensively developed socialist system. During this period, Romania has virtually traveled through four stages of development.

We have achieved outstanding successes in the past 23 years, after the 11th RCP Congress, which eliminated the old forms, set patterns, "models", and conservatism, and opened up the path for new action with the people as the major factor of the whole socioeconomic development.

Industrial output has increased more than 120 times compared to 1945, and 80 percent of this increase has been achieved in the past 23 years; agricultural output increased more than 6 times, and national income more than 32 times. At the same time, the people's material and cultural standard of living has also improved. Compared to 1965, the total remuneration fund has increased almost 6 times; thus, the number of workplaces has doubled and the working people's real pay has increased three times. There are few countries which can boast such achievements!

We have worked for the development of production forces throughout our whole country. I think that one of our greatest achievements in the field of socioeconomic development is the distribution of industry and other socioeconomic activities in all counties and parts of our country; thus, we have improved the general standard of civilization and created conditions for the true equality of rights for all our citizens.

We have greatly developed the construction of dwellings, schools, hospitals, and other social and cultural establishments. As a matter of fact, everyone who visits Romania can see for himself that intensive modernization activity is being carried out in all the towns and villages of our country, and we ensure the best living conditions, education, and health care for our citizens.

We have continuously improved the organization and management of our society, starting from the fact that socialism should be built in accordance with the conditions prevailing in each country and with the requirements of each nation. We proceeded from the need to create a broad democratic framework, in the belief that we should build socialism with the people and for the people. In practice, within—I should say—classical, democratic frameworks, we created new democratic frameworks and bodies, which enable all social categories to participate on an equal footing in the drafting of our domestic and foreign policy, and in ensuring the general development of our country.

I believe that this is also one of the great achievements of Romanian socialist society.

Not everything went without a hitch, not everything was faultless. But what we have achieved up until now gives us confidence that this has been and continues to be the right path, which is in keeping with the interests of our people and is the guarantee that we will be able to attain our future development goals.

Question: How would you define the fundamental guidelines in Romania's current domestic and foreign policy? What are your development programs in various areas?

Answer: At the 13th RCP Congress 4 years ago and at the Party National Conference last year, we established new directions and prospects for our homeland's development.

We proceeded from the fact that we reached a generally high level of development in the field of industry and other sectors of activity, and therefore there is no longer a need for extensive development, so we proposed to proceed to the intensive development of all sectors of activity, basing all this activity on the latest scientific

and technological discoveries. We proceeded from the fact that only on the basis of the latest scientific and technological discoveries and only by improving the general professional, technological, scientific, and cultural level of our people will we be able to continuously ensure our homeland's development. Now we pursue a more marked qualitative and higher technical level for our whole activity.

We plan to have all our achievements reach the level of the best products and achievements in the world. Likewise, we plan to strive and to do all we can in order to rank first in several fields of activity. We believe that we have the necessary scientific potential and we have highly qualified people who are able to fulfill these goals.

Putting it in general terms, we strive to implement the party program of building the comprehensively developed socialist society and of ensuring Romania's progress toward communism.

We foresee that Romania should pass to a new development stage in the nineties—that of a medium-developed socialist country—and up to the year 2000 it should achieve the general targets of the program for our homeland's comprehensive development, a goal which requires the development of production forces, an increase in the scientific and qualitative level, and an improvement of the people's standard of living; from an economic point of view and from the point of view of production forces, this action will virtually ensure Romania's place among the ranks of the developed countries. It was no accident that I said "from an economic point of view." We believe that from a social point of view and from the point of view of social relations we are already far ahead of the developed capitalist countries, because we have eliminated social and national inequalities and ensured full equality of rights. There can no longer be any form of inequality and the humiliation of the individual in our society!

Therefore, taking into consideration our outstanding achievements in the social field, we believe that we have the necessary means to achieve, our strategic goals by the year 2000 which, from an economic and scientific viewpoint and from the point of view of the production forces, will place Romania on the level required by a modern state. Everything we have achieved so far is a guarantee that we will succeed in fulfilling these goals!

If you come to the congress of our party next year—I hereby extend to you an invitation to come—you will be able to see how we tackle our problems, what level of development we have reached, what our goals are, and how we believe we can achieve all our goals.

As regards international issues, we are aware that we can achieve our goals only under conditions of peace and broad cooperation with all countries, regardless of social system. Certainly, we firmly base all our relations on the principles of equality, respect for independence, sovereignty, noninterference in domestic affairs, and mutual advantage.

Question: Referring to the development prospects of Romania and of other socialist countries within the framework of the current international debates, what is your opinion, Mister President, about the concept of "opening" [deschidere] which is used with increased frequency today? What is Romania's position in this respect?

Answer: We have always advocated and continue to speak out for a broad international opening and cooperation. However, we have always proceeded from the fact that such an opening must not end up kowtowing to others or renouncing the basic principles of socialist development.

We proceed from the scientific socialist concept according to which the new system is being built in accordance with the realities prevailing in each country. We do not favor set patterns and models.

Concerning reforms under way in various countries, they are obviously related to the realities prevailing in the respective countries.

As far as we are concerned, we believe that certain problems regarding self-management, self-administration, the establishment of democratic management bodies, and other matters were solved by us 20 years ago; with the passage of time we have improved and perfected this organizational framework and we continue to take steps along these lines. However, we do not favor the return to capitalist forms under any pretext, as we actually believe that socialism has proved its vitality and force and that there is no justification for a return to the past.

As a matter of fact, capitalism has shown that it is incapable of solving the world's key problems. Obviously, we do not share the view that capitalism can no longer achieve anything. However, it was not able to and still cannot resolve basic social problems, primarily the inequality between people and man's oppression by man. This is a truth that nobody can contest!

Capitalism did not solve the problems of unemployment, education for all citizens, housing, and poverty. According to official statements, there are more than 32 million people in the United States living below the poverty line. Capitalism cannot ensure for the young generation conditions for improvement. Therefore, one cannot say that the capitalist society has proved that it can solve social problems.

On the other hand, socialism has demonstrated that it can resolve these problems, obviously by applying a correct policy.

We advocate peaceful coexistence and cooperation among countries with different systems. The competition between socialism and capitalism cannot be carried out through force, but rather through peaceful means and constructive activities. I believe that socialism is better and that it will increasingly prove its superiority!

I repeat, we speak out for broad cooperation among all states, regardless of social system, for the active participation of all states and nations in the international division of labor and in the resolution of the great problems facing mankind, and for a world of justice and equality among all nations.

Question: Mr President, would you be so kind as to present your country's position concerning the great problems currently facing mankind, such as disarmament, detente, regional conflicts, underdevelopment, and so forth?

Answer: Concerning the international situation, we believe that certain progress was made toward detente and that certain promising initial steps were taken along the road of disarmament, but that this is only a beginning and that, generally speaking, the world situation continues to be quite complicated and grave. There are still many contradictions in the world, hence the contradictory nature of international developments.

In our opinion, a certain balance of power has been achieved between the forces working for detente and peace and those still advocating interference in the affairs of others and the policy of war. Thanks to this relative balance of power, certain progress could be made along the road of detente and disarmament.

However, all realistic forces and all peace-loving nations should intensify their efforts to change this balance of power for the better, in order to promote the policy of disarmament and weaken those forces that still believe in a policy of war.

We advocate general and total disarmament. We speak out for nuclear disarmament and the total elimination of nuclear weapons in several stages. In this respect, we believe that great importance devolves on the signing of a USSR-U.S. agreement on a 50-percent reduction of strategic nuclear weapons. Aside from this, we believe that an end should be put to nuclear tests and to the so-called "star wars" program, that all nuclear states should follow a policy of nuclear disarmament, and that one should guarantee the participation of all states in the conclusion of an overall agreement on the removal of nuclear weapons, as these nuclear weapons are a matter of great concern for all nations. The use of such weapons would lead to the disappearance of life itself from our planet. Hence all peoples are interested and must participate in the efforts aimed at eliminating these weapons!

We speak out for conventional disarmament and for the reduction of military budgets, proceeding from the fact that this is the only way to make real progress in resolving other international problems, too.

We speak out for solving conflicts in various parts of the world through negotiations alone. At the same time, we advocate the solution of the problems of underdevelopment and of the establishment of a new world economic order with the participation of all interested countries. In our opinion, the problem of underdevelopment is the most urgent one after the problem of disarmament! In a certain sense, one can say that the problems of disarmament are on a par with the problems of disarmament because, without the removal of backwardness and without a new world economic order, once can ensure neither peace, nor cooperation among the world's nations. The division of the world into rich and poor cannot continue indefinitely!

In this respect, we believe that all states should actively participate in the solution of these problems and that primarily the developing countries, the small and medium-sized states, and the developing countries should strengthen their solidarity and cooperation.

Question: Recently you paid an official visit to Moscow. Mr President, what is your evaluation of the ties between Romania and the Soviet Union and between Romania and other Warsaw Pact member countries?

Answer: Indeed, I recently paid several visits abroad—to Moscow, Beijing, and Pyongyang. Our relations with the Soviet Union are good; the same can be said about our ties with the PRC, DPRK, and all socialist countries. Romania has firmly advocated and continues to speak out for the development of relations of cooperation among all socialist countries. At the same time, we attach great importance to relations with developing countries, the nonaligned states, and the developed capitalist countries. We believe that in today's world it is necessary to promote broad ties of cooperation with all states, regardless of social system, on the basis of the aforementioned principles.

Concerning the Warsaw Pact states, we have recently adopted a number of important documents—obviously, by joint agreement—including documents on a transition to reducing conventional armaments.

We consider both the Warsaw Pact and NATO as obsolete. We speak out for the simultaneous dismantling of both pacts and the establishment of new relations between states, on the principles of equality and cooperation. We believe that military pacts do not offer guarantees of security, nor prospects for a democratic resolution of problems; on the contrary, their existence remains a source of tension and division in the world.

In view of the fact that these pacts are concentrated in Europe, I wish to point out that we would rather see them replaced by a united Europe of independent nations with diverse social systems, which can ensure the harmonious development of all countries. In this respect, we attach great importance to the Vienna Conference on Security and Cooperation in Europe and we work to ensure that it concludes with ever better results.

Question: Mr President, would you be so kind as to refer to Romania's relations with the Arab countries and their development prospects: In this sense, we respectfully ask you to tell our readers about the Romanian-Lebanese ties in the political, trade, cultural, and other fields.

Answer: Within the framework of Romania's policy of generally developing relations with all states, we have good economic, scientific-technical, and political ties with the Arab countries. We believe that there are good chances for developing and expanding relations with the Arab countries and we have many agreements that confer long-term prospects to these ties.

In this respect, I wish to mention with great satisfaction that good relations have been developed between Romania and Lebanon. Even in the current difficult conditions of Lebanon, we continue to maintain good relations with practically all Lebanese political forces.

Of course, we have advocated and continue to speak out for speedily solving Lebanon's problems through political means and for ensuring Lebanon's independence, unity, and integrity. We believe that the Lebanese political forces must take responsible steps, in the interest of the Lebanese people, and reach mutually acceptable solutions for all sides. We are convinced that reason will eventually prevail and that Lebanon will maintain its integrity and independence and will continue to play an important role in that region and in international life.

We are determined to broadly develop cooperation with Lebanon and to do all we can to contribute to the achievement of these goals.

Question: Recently, the chairman of the United Arab Emirates invited all Lebanese sides to an accommodation and reconciliation congress in the United Arab Emirates, which should follow the model of the Lausanne and Geneva meetings. What is your opinion about this initiative?

Answer: In my opinion, this would be a very good thing. The Lebanese political forces must meet and discuss their problems, proceeding from the diversity of existing political and religious convictions and from the need for a united independent state.

Question: Esteemed Mr President, as a great friend of the Arab world, you have always worked for peace in the Middle East. Therefore, we are deeply interested in finding out, particularly at this time, what chances you give to the establishment of peace in this region and what efforts are required in your opinion to achieve this goal.

Answer: Indeed, Romania has always advocated a political solution to the Middle East problems and a just and lasting peace in that region, which can ensure the Palestinian people's right to self-determination, including the creation of an independent Palestinian state.

We believe that recent events have shown that there is no alternative to a political, negotiated solution. In this respect, we have always believed that only an international conference with the participation of all interested sides, including the PLO as sole representative of the Palestinian people, can lead to a just solution and lasting peace capable of ensuring both the existence of an independent Palestinian state and the existence of an independent Israel.

In my opinion, in view of developments in that area and on the world arena, there are good prospects for attaining these goals. Romania will continue to do everything possible, as it has done up to now, to achieve an overall solution and a just and lasting peace in that region.

Question: If the PLO and the Palestinians decide to set up a government-in- exile, will Romania recognize this government?

Answer: A short while ago, I had a meeting with PLO Chairman Yasir 'Arafat. We discussed this matter in detail and I told him that we will fully endorse the decisions adopted by the Palestinian leadership.

Question: Mr President, do you believe that the Gulf war is over and that there will be no recurrence?

Answer: We have constantly spoken out for an end to that war and for a political solution of the problems between Iran and Iraq.

We welcomed the end of hostilities and we believe that both sides should do their best to reach a full agreement. It is in the interest of both countries to avoid a new conflict and I believe that they will take responsible steps along these lines!

In conclusion, I would like to extend warm greetings to the readers of LA REVUE DU LIBAN and best wishes to the friendly Lebanese people along the road of progress, prosperity, and Lebanon's unity, integrity, and sovereignty!

Mozambican Premier Departs, Communique Released
AU0111190088 Bucharest AGERPRES in English 1801 GMT 1 Nov 88

["The Prime Minister of the People's Republic of Mozambique Concludes His Visit to Romania"—AGERPRES headline]

[Text] Bucharest AGERPRES, 1/11/1988—On Tuesday, Mario da Graca Machungo, prime minister of the People's Republic of Mozambique, concluded the official visit he paid to Romania (over October 26-November 1, 1988) upon an invitation extended by Prime Minister Constantin Dascalescu.

The communique adopted at the end of the visit shows the two premiers to have informed each other of the current concerns of the two countries, more particularly as far as socioeconomic development was concerned. Furthermore, they made an in-depth analysis of the current development stage and further prospects of the Romanian-Mozambican friendly and cooperative ties in the political, economic, technical and scientific areas.

Reiterating the two governments' wish to work for the more marked expansion and diversification of bilateral economic cooperation, the two premiers agreed on measures to boost commercial exchanges and expand economic cooperation in agriculture, industry, mining and geology, construction, woodworking and technical assistance. Steps were also agreed upon to implement underway projects and finalize negotiations on further cooperation ventures and the expansion of contacts and exchanges of visits between relevant ministries, specialized institutions and trade organizations in the two countries.

Opinions were also exchanged on the major issues of the current international life, with the two premiers reasserting their countries' determination to work, in close collaboration with the other countries of the world, for the cessation of the arms race, of the nuclear arms race in the first place, for the implementation of a comprehensive disarmament programme, for the settlement of all interstate litigious issues by peaceful means alone, for the eradication of underdevelopment, for the resolution of the foreign-debt problem and for the establishment of a new international economic order, set on equity and equality.

Firmly condemning the apartheid and racial discrimination policy and the acts of aggression of Pretoria racist authorities against independent African states, they reiterated their countries' resolve to work, in close cooperation with the other states, to put an end to instability in southern Africa, to provide for the immediate granting of Namibia's independence, to consolidate peace, security and economic and social progress in that region and throughout the continent, the communique shows.

At the end of the official talks between the two premiers, which passed in an atmosphere of mutual understanding and friendship, the cochairmen of the Joint Commission of Economic Collaboration, Gheorghe David and, respectively, Alexandre Zandamela, agriculture ministers, signed an aide-memoire on the development and diversification of commercial exchanges and of economic and technical cooperation between Romania and Mozambique.

On Tuesday the Mozambican prime minister left Bucharest.

Soviet Defense Minister Visits Vojvodina, Croatia
LD1411191988 Belgrade TANJUG in English 1630 GMT 14 Nov 88

[Text] Belgrade, November 14 (TANJUG)—Soviet defence minister, General Dimitriy Yazov visited an exposition of armaments and military equipment in Nikinci, in the Autonomous Province of Vojvodina, today.

Dimitriy Yazov heads a delegation of the Soviet Union's Armed Forces, which arrived yesterday for an official and friendly to Yugoslavia and its Armed Forces.

While in Nikici, Yazov was informed of Yogoslavia's achievements in the production of modern weapons, war technology and equipment.

The visitors from the Soviet Union today visited the "Djuro Djakovic" machine-building industry in Slavonski Brod, Republic of Croatia, where they were informed of the production capacities, development plans and saw the process of production.

The Soviet Armed Forces' delegation has also visited a military unit in Pancevo near Belgrade, where as General Yazov said, he attended an excellent demonstration of practical training.

'Arafat Receives SFRY Ambassador in Algeria
AU1511131688 Belgrade Domestic Service in Serbo-Croatian 1300 GMT 15 Nov 88

[Text] Yasir 'Arafat, chairman of the PLO Executive Committee, has received the Yugoslav ambassador to Algeria, Borislav Milosevic. The Yugoslav ambassador congratulated 'Arafat on the founding of the independent Palestinian state. On this occasion 'Arafat greeted the Yugoslav people who, as he said, have always supported the just cause of the Palestinians.

Dizdarevic Greets Jaruzelski on PPR Anniversary
AU1411173288 Belgrade POLITIKA in Serbo-Croatian 11 Nov 88 p 2

[Text] On the occasion of the 70th anniversary of Poland, Raif Dizdarevic, president of the SFRY Presidency, sent, on behalf of the SFRY Presidency, greetings to Wojciech Jaruzelski, president of the PPR State Council.

Stanovnik Washington News Conference Reported
LD1111101088 Belgrade TANJUG Domestic Service in Serbo-Croatian 1405 GMT 10 Nov 88

[All quotations marks as received]

[Text] Washington, 10 Nov (TANJUG)—Janez Stanovnik, president of the Slovene Presidency and who has recently been on an official visit to the United States, met members of the National Press Club in Washington on 2 November and, after an introductory report, replied to journalists' questions.

On the basis of an unauthorized translation of a tape recording of the meeting, TANJUG transmits the proceedings as follows:

The chairman: Prof Janez Stanovnik, president of the Slovene Presidency, will address the meeting today. Professor Stanovnik's long and dedicated career covers his time as a partisan in World War II. After the war he was the head of the Ministry for the Foundation of the Federative Republic of Yugoslavia. He was an adviser in the Ministry of Foreign and Economic Affairs and also held a number of high state posts. Professor Stanovnik has a degree from the Department of Law and the Institute of Social Sciences of Ljubljana University. After this he was made dean of the economic department of his hometown university.

Professor Stanovnik will explain why he believes that Yugoslavia is at a crossroads and will answer questions. Janez Stanovnik, welcome to the National Press Club. (applause)

Professor Stanovnik: Ladies and gentlemen, journalists, I think the root of the Yugoslav crisis lies in economic problems. The stabilization program which we began to implement in a serious way this May has so far, in my opinion, ensured a strategic breakthrough. We have managed to open the economy to the world market and, although you have been hearing a good deal of negative and unpleasant things about the Yugoslav economy, I would remind you that our exports are doing exceptionally well, well above the planned growth rate; that our foreign currency earnings from tourism this year were much better than expected; that our foreign exchange receipts from the remittances of our workers abroad were exceptionally good; and that at present we dispose of a far greater amount of foreign currency reserves than that envisaged in our agreement with the IMF.

However, I would say that we have paid a high price for success in our external program—with galloping domestic inflation. I think, and this is my opinion, that there is a mistake in the entire stabilization concept, due to the belief that personal incomes are the main source of inflation. It turned out that even though personal incomes were realistically reduced by over 15 percent in the course of 7 months—despite this drastic reduction—inflation remained very, very high, even higher than last year. This indicates that the sources of inflation must lie elsewhere and not in personal incomes, which are truly very, very low.

An analysis reveals very quickly that the real source lies in the fact that the economy suffers enormous losses due to the inefficient investment of capital and that public sectors spend more than is reasonable. These are in my opinion two weaknesses of the Yugoslav economy and the main source of galloping inflation. The problem thus cannot be solved by regular short-term and medium-term stabilization measures.

The economy is in need of very radical structural adjustment. This is a similar problem to the one experienced in other East European socialist economies, including Gorbachev's perestroyka.

And so we have arrived at the structural problem. Here again I have good news for you in the form of recently adopted constitutional amendments. The Western press has perhaps not been reporting in detail on the importance of this step. However, this step in fact means to free the Yugoslav economy from overweening ideology. The most important of all is the new concept of social ownership and capital which is now part of the Constitution. Previously we had some kind of semireligious concept of social capital--belonging to everyone and to no one--a kind of capital which is the gift of nature and which has no price tag. And, of course, when capital has no price tag everybody uses it as something which has no price tag, and it is therefore of no economic interest. The economy that works without economic interest is no economy at all, and that was where our misfortune lay.

"I think that the constitutional amendments have brought rationalization in the economy. All Yugoslav liberal economists welcome this development, which was drawn up without any publicity but in a very rational way. For this reason I am appearing before you today with much more optimism.

Still, in order to resolve this problem, the political problem has to gain importance. In other words, if we wish to change the structure of the economy we must introduce a market economy to as large an extent as possible, and on the other hand we must competely liberalize private enterprise in the sense of encouraging private initiative and introducing private business.

Of course, from the political aspect this calls for the full development of democracy. When it comes to the issue of democracy, I dare say that it has not always been represented correctly in the foreign press or at least in the press I have seen. The principal idea is that we are in the process of further developing it by proceeding from human rights. We think that the full development of and support for human rights--as a constitutional cornerstone--are a foundation for comprehensive democratic development in our country.

In this sense we think that freedom of the press, freedom of expression, and freedom of thought are among the most important and most fundamental rights on the basis of which all else can be developed. We also consider that direct elections not envisaged by the present Constitution but which exist in practice, especially in my own republic of Slovenia, in a more pragmatic was so that to a large extent we already have institutionally free and direct elections. [sentence as received] I also think that, as regards the institutions, democracy is of exceptional importance concerning the need for the Communist Party to adjust.

The Communist Party in the Yugoslav system, as in many other socialist systems, is in essence a ruling party, which as such interferes directly, and not via democratic institutions, in state structures and directly in the executive authority which adopts decisions. This is something which we consider to be basically mistaken."

"We believe that the Communist Party must cease to interfere directly in state affairs and become something like a party of a movement but not a party of the authorities. This is the basic thesis of the president of the Slovene party, Comrade Kucan, which was expressed at the recent party congress and which on the whole was also supported by the Yugoslav party, perhaps not with such enthusiasm as in Slovenia. However, it is now contained on the whole in the same documents of the main federal party.

This now leads me to finally say a few words about how all this--these two basic developments, economic and political in connection with democray--how they are reflected in current developments. I again do not agree with some reports on Yugoslavia. At this moment I am a common-sense optimist..."

"My common-sense optimism, or moderate optimism, is based on the fact that I believe that the impact of the 17th session of the Central Committee was far, far greater than foreign observers could have noticed. This was a real watershed in Yugoslav development, and this was confirmed also by the voting on the changes to the Constitution in the Federal Assembly that took place the very next day. And I would say, in connection with the adoption of the constitutional changes, that things turned out better than I expected. I thought that there would be big problems, particularly regarding the matter of Slovene opposition in connection with the financing of the Army, where the Slovene standpoint was very inflexible. On the whole we thought that high spending on arms in the period of detente in the world is not justified. Thus, we tried to find a sensible solution to this question, something which previously had been absolutely impossible, but our amendment in the Federal Assembly was accepted by all the other Yugoslav republics, while during the discussions everyone, absolutely everyone, opposed this proposal by Slovenia on the finacing of the Army.

In this way this amendment as a whole, we call it a package, was approved. I believe that this is a very good sign for the future, which means that those who, or rather some of those who, took a different path, learned a lesson from the 17th session of the party Central Committee.

I am of course saying this as general background informaton. Where I currently see problems--and the U.S. press, I will be more concrete, in one of my interviews with the correspondent of THE NEW YORK TIMES, wrote a little about this--I would like in this connection to be quite explicit. In fact, at one moment of the

developments, I really expressed some very critical observations on the viewpoint and stances of Comrade Milosevic, who is the leader of the Communist Party of Serbia.

Now I continue, as before, to have a different view on the most basic questions, as I explained to you earlier. First, in connection with democracy. [sentence as received] Although I have always believed that it is up to the leader of the Serbian party to manage his own affairs as he sees fit, you could have arrived at the conclusion that I do not like the way in which he carried out the purge in his Central Committee.

I believed that the steps and measures were rather more like something quite different from democracy. Also, I did not like the way in which he resolved the arguments in the journalists' sector in his own republic, because I believed that if an individual frees himself of all opponents, this is not the best sign of democracy.

Here I fully concur with Karl Popper, who says that democracy does not lie in the replacement of bad people by good ones but rather in the setting up of (?suitable) control over those who govern. And therefore, I believe that shifting people around here and there like this, removing people from some positions, and liquidating the opposition, are not the right way to behave if one wants to establish better government.

These are, if you like, the basic differences about which I have not said much before, because I believed that what was at issue was an internal matter of another republic. And because I do not like them to interfere in my affairs, I do not like to interfere in other people's affairs. Things have nevertheless changed in several respects. In fact, in Serbia a very large-scale and very widespread mass movement in connection with the Kosovo problem has been initiated, which I understand, because for the Serbs it really does represent a vital question of national survival. When it is a matter of this question, they are extremely sensitive.

And at the moment, when anything happens in connection with this question, of course emotions are always involved, and this is the way hysteria is initiated among the public. I am confronted by this in my own republic as well. In my republic hysteria among the public began in connection with human rights. When the Army brought the journalists before the court and made dubious accusations against them, the population of my republic rose up and went out onto the streets so that in Ljubljana we had a public meeting which was better attended than the celebration of the liberation of my capital—which I am telling you only to let you know that I know what the dissatisfaction of the people and popular protest is, and also that I know what hysteria among the public is. In fact, this is something that can no longer be managed in a rational way. We cannot address ourselves to the people, appealing to their common sense; then you are talking only in slogans.

And when all this began in Serbia and when pressure from the streets was exploited first of all to topple the government in Vojvodina, I expected that Kosovo would be next in line—but it was not Kosovo, but rather the neighboring republic of Montenegro. And when I became fearful that it could be the turn of Bosnia next, I said: "Come on now, friend. You are going too far."

Why? In fact, I was afraid that if this were to extend to Bosnia, which is not nationally homogeneous—instead, Catholics, Orthodox Christians, and Muslims live together in it, in the same town or village; in the same village you have minarets, together with a Catholic and Orthodox churches, and all of these people live together and are developing a homogeneity among people of different religions—I said to myself, if this passes into Bosnia and Bosnia disintegrates, there will be a bloodbath. I was profoundly afraid that we were on the brink of civil war, which forced me to speak out in public just like the Montenegrin who got up and said "no" when this came to Montengro. I felt that I would be going against my conscience if I allowed the whole burden to fall on the Montenegrins. And at this time I thought that we all ought to say to our comrades, I do not know him very well and I have not become familiar with him. Also, I thought that I too ought to say publicly: "This is the limit. Please do not cross the line."

I think that they all said it at the party conference, and that because of this, during the secret ballot, Mr Milosevic's closest assistant failed to receive a vote of confidence, as you know. This means that the entire country said what I thought should be said to one's own brothers in a sincere and friendly way. I think that the situation in Yugoslavia changed when these words were uttered. And I very much hope that in this way we took a decisive step and crossed the Rubicon. I am very much convinced that in this way we opened up the prospects for a democratic solution, and because we opened up the prospects for a truly democratic solution I am also optimistic that we will solve the economic problems which, may I warn you, will not take happen overnight..."

Janez Stanovnik then replied to a number of questions.

The first one referred to the problem of the Communist Party and its "departure from power." Stanovnik said that the Communist Party represented "the backbone and soul of power, and that it practically monopolizes power. There can be no monopoly of power if one wishes to develop democracy," said Stanovnik.

The president of the Slovene Presidency then answered questions on inflation in Yugoslavia, as well as the ones on Yugoslavia's relations with the IMF.

He then spoke in more detail on the adoption of the constitutional amendments and presented his views on any possible problems with the application of amendments:

"I do not think that there will be any major problems in their application, but allow me to explain one thing. I think that the adoption of these amendments, especially

in Serbia, depends on solving internal problems in Serbia. Serbia as a republic has two autonomous provinces. One is the region of Vojvodina in the north, and the other the region of Kosovo in the south. As far as Vojvodina is concerned the problem was solved in a way I personally do not like, but this is no longer a problem. The region of Kosovo continues to be a problem.

As far as Kosovo is concerned, which is now mainly populated with Albanians—Albanians make up 80 percent of the population—but looking at it from a historical point of view, Kosovo was the cradle of the Serbian nation, where the Serbs lost the historic battle against the Turks. On this account I beg you to understand this as a serious wound for the Serbs, which continues to be the case. This continued from generation to generation for 5 whole centuries. Even now it is spread in a spontaneous fashion to different centers. My stand may differ somewhat from those of some of my Slovenian compatriots.

There is a great deal of compassion for the Albanian population in Slovenia because, as you already know, the size of the Albanian population nearly corresponds to the size of the Slovene one—only about two million. The Serbs are more numerous—I think that they number about 9 million in Serbia and about 12 million in Yugoslavia as a whole.

My stand on Kosovo is the following: There must be proper order and orderliness in the province. A guarantor of this order and orderliness must be the Serbian Government and the Republic of Serbia. These territories are under the sovereignty of the Republic of Serbia, and for its part the Republic of Serbia must have the benefit of the right to sovereignty just like our other republic. Autonomy must therefore be autonomy and not a fiction about an independent state or independent republic. Consequently, the Serbian population in this province can be a minority. They must have a right to their own langauge in the courts, schools, and public administration.

It is impossible and untenable that the Serbs should not be able to use their own langauge in the territory which is presently populated with Albanians and that we should intervene. [sentence as received] This is an enormous problem, and I have been dealing with global problems for years, hence my understanding of it. In fact, the demographic expansion of the Albanian population exceeds three percent. The demographic expansion of other parts of Yugoslavia is only 1.2 or 1.3 percent. Of course, given such demographic pressures, which is not easy to resolve politically, family planning is not simply a matter to be decided by voting for or against it in the parliament. We are therefore confronted with what I would call natural forces, which are not so easy to resolve politically..."

Having said that Yugoslavia is presently trying to joint the EFTA, Stanovnik answered the question on whether there was any danger, should the problems in Yugoslavia become further exacerbated, of any of the involved parties appealing to the USSR and asking for Soviet assistance in resolving internal conflicts.

"Fortunately no, because—and this is a very fundamental change—the environment that Yugoslavia is in has changed. Yugoslavia has always been between the East and West. Fortunately for the whole world, the East and West have built a bridge above our heads.

Neither Yugoslavia nor anyone in Yugoslavia can any longer choose, and consequently, the choice between a planned or market economy is no longer the question, fortunately.... Differences can exist in Yugoslavia from the point of view of the tactics of the political strategy, and I hope that I managed to illustrate for you the differences between what I think is the Slovene approach and the approach which, at least so far, has been the approach of our brothers from other parts of Yugoslavia. However, there are no significant differences when it comes to the economy. The views of Mr Milosevic, with whom I publicly disagree on political issues, do not differ from mine in economic matters. He is just as liberal as I am when it comes to economic matters."

In his reply to another question Stanovik said that drought caused enormous damage to Yugoslavia and that this was a serious blow to the country. He then spoke in more detail on the problem of unemployment in Yugoslavia and connected it with the restructuring of the economy.

"The forecasts indicate another one million unemployed. This will mean a doubled number of unemployed next year, in 1989, although these figures are not essential here. It is a far more important question whether a possibility exists for the incorporation of the technological surplus. And I say categorically: "Yes, it does exist."

First, I think that we have taken away much more of the work force from agriculture than was necessary, and that low productivity in our industry is mainly the consequence of concealed unemployment in our industry. We have transferred to industry the workers who are not effectively involved in production but who instead sit and drink coffee. For this reason I think that we must return a part of this work force from unproductive enterprises to agriculture, not only to cultivate land, but also to become involved in public projects in connection with irrigation.

We have an enormous canal, the Danube-Tisa-Danube. This canal does not branch off to smaller canals. Water flows there but does not reach the fields. Why? Because there is no work force with which to build smaller side canals to irrigate the fields. This is why we suffer the big losses today which are caused by drought. And drought is

a regular phenomenon in Yugoslavia. This is why I say that we must transfer a part of this work force to public works, be it roads, railways, ports, or irrigation.

Second, we have great potential in tourism. Yugoslavia is a tourist country. The earnings from tourism amount to about $2 billion per annum. We could earn much more if we improve tourist services. It is precisely the service sector which we must improve as Yugoslavia has very little business in it.

Last but not least is private enterprise. Great possibilities exist in this field. You should know that about 1 million Yugoslav workers are temporarily employed in Germany or other parts of Europe. These people bring home foreign currency and equipment, and it is our duty to give them an opportunity to open craft shops and small enterprises. We would then immediately have an increased number of employed people..."

"If you want the market you must have something that will fill the base between the pillars, and this something is small enterprises. On the other hand, if we want to achieve inventiveness, innovation, and initiative, the way to do it is not through organizations but rather through individuals who would be businessmen, entrepreneurs, and inventors. They will be the innovators who will increase the number of the employed and thus bring great changes that the country so badly needs." [transmission interrupted, TANJUG part 12 not received]

Stanovnik then explained in what capacity he had come to the United States:

"My visit to the United States is unofficial. I came to the United States to visit my friend, Ambassador Kovacevic, and I also have a small amount of semiofficial business in New York. I am a member of the committee of the International Institute for Management, and tomorrow we have a meeting in New York.... Furthermore, our son lives and works here near Phildelphia, which means that this visit is, for my wife and myself, also of a family nature. I must nevertheless add that, via my friend the ambassador, your government, too, learned that I am here. Secretary of State Shultz truly did me a great honor by sending me word that he was prepared to receive me today at the end of the day."

Continuing his meeting in the National Press Club, Stanovnik replied to questions about the new law on foreign ventures in Yugoslavia and on the problem of public spending and then, stating that he is "portraying a delicate picture" of Yugoslavia, he added:

"The respected person presiding at these talks introduced me as a former partisan, and I would like to tell you that at heart I still am one. And whenever during the war I had to make some breakthrough, I never asked myself what would happen if I did not succeed. Because if I do not succeed this is no longer of interest to me, and I am not then successful. There is no other alternative. I know that the road we are taking is not free of obstacles. It is not strewn with roses, but I believe that the recent changes have gone well, because regardless of whether you agree with me or not, if I had appeared 2 weeks ago, you would probably have asked me: "When will the civil war begin"? Today you are not asking me this. This is why I want to say that this will not be a short-term operation. It will last quite a long time. Gorbachev needs half a century to overcome his own difficulties. I believe that Yugoslavia will overcome its difficulties much sooner, but this will not be overnight."

Kraljevo Communists Criticize Stanovnik

AU1111164288 Belgrade BORBA in Serbo-Croatian 10 Nov 88 p 4

[M.M. report: "Bitterness Because of Untruths"]

[Text] Kraljevo, 9 Nov—The session of the Kraljevo LC Communal Committee at which the members of this party organization discussed the untruths that were recently expressed by Janez Stanovnik, president of the Presidency of the SR of Slovenia, in talks with U.S. journalists, lasted until late into the night. It was said last night that his assessments that alleged Serbian nationalism had almost led to civil war had caused much bitterness among Kraljevo citizens.

Stanovnik was also reproached particularly for not mentioning at all the counterrevolution in Kosovo and the genocide to which the Albanian separatists have subjected the Serbian and Montenegrin inhabitants for years. The Kraljevo Communists believe that what this senior Slovene official told U.S. journalists was equal to treason, which cannot be passed over just like that. This is because Stanovnik actually heedlessly and tendentiously piled all the blame for the painful political situation in the country onto the Serbian people, which is one of the dirty political games thought up by a number of Slovene Communists.

"What Stanovnik said in the United States represents an unprecedented example of an attack on the efforts of the Serbian people to enable their compatriots in Kosovo to live an undisturbed and dignified life. Stanovnik did all this during an unofficial visit, which is unthinkable for a top official. In doing this he has only encouraged those who care about destabilizing the situation in the country. Therefore, his action can only be compared with treason, said Slobodan Dugalic, president of the Kraljevo LC Communal Committee.

Because of all of this, the Kraljevo Communists seek the swift intervention of the LCY Central Committee Presidium and the SFRY Presidency so that the whole case can be completely cleared up, and so that the official whose monthly income amounts to $5,000 can bear the responsibility for his political faux pas.

Suvar Discusses Transforming LCY

LD1011215088 Belgrade TANJUG in English 2044 GMT 10 Nov 88

[Text] Belgrade, Nov 10 (TANJUG)—The League of Communists of Yugoslavia (LCY) should be transformed into a modern political party so as to become a leading ideological force capable of pulling society out of the serious crisis, LCY President Dr Stipe Suvar said today.

Addressing the first session of the commission in charge of reforming the LCY, set up at the 17th party plenum in mid-October, Dr Suvar outlined the major directions of party transformation.

Dr Suvar warned that the orientation to a market economy has led to controversies about political pluralism. "Freedom of thought must exist within the League of Communists," he said, "but this must not lead to anarchy in its organization and action." Dr Suvar said he was against a command and repressive role of the party, and urged a demythologization of the League of Communists, i.e. its relieving of "specific myths and party religiousness."

The Yugoslav party leader also said that the class foundation of the party and the method of its work and organization should be clarified.

The commission concluded that the LCY should be changed in the direction of greater democratization and openness of work, creation of new relations towards other socio-political organizations and breaking the ties with the state apparatus. All this also requires a different definition of the party's role in the country's constitutional system, it was said at the session.

About thirty scholars from a number of Yugoslav university centres held a debate on the reform of the LCY in Zagreb today.

It was assessed that an internal democratization of the LCY, an essential prerequisite for the democratization of society as a whole, was necessary for a fundamental transformation of the League of Communists.

Speakers noted that the basic objective of all changes in the LCY and in its role in society should be the deblocking of creative forces in the economic and political systems.

Debates on the reform of the LCY will be continued at a number of meetings by scholars in Zagreb, Belgrade, Ljubljana, Sarajevo, Split and Rijeka.

POLITIKA Editor on 'Anti-Serbian Policy'

LD1211030888 Belgrade TANJUG in English 2020 GMT 12 Nov 88

[Text] Belgrade, Nov 11 (TANJUG)—The media should expose the untruths in the service of anti-Serbian policy, director of the POLITIKA Zivorad Minovic stated today at a joint session of the information commissions of the League of Communists of Serbia, the Belgrade party city committee and the Socialist Alliance of Serbia conference.

The interpretations of current events in Serbia contain various political bargains at Serbia's expense and even deny the counter-revolution of ethnic Albanian separatists and chauvinists in Kosovo Province, he said.

According to Minovic, this refers to different interpretations of the policy of Serbia's present leadership, which is seeking through changes in the republican Constitution to ensure state sovereignty on its entire territory and so provide peace and legal protection for all citizens of the province, which is within the Republic of Serbia. It is also seeking to stem the tide of Serbs and Montenegrins who have been moving out of the province for years.

The different interpretations do not stand for different views, but conceal a concerted campaign, both at home and abroad, against Serbia and the Serbian people, Minovic said.

The joint session warned that the whole of Yugoslavia still did not know the truth about Kosovo, where an organized and well-financed separatist movement is active. It also warned about a greater Kosovo plot in the country aiming to wreck Yugoslavia.

The session concluded that the media and information institutions in Serbia must act to spread the truth about the situation in the republic.

The session condemned the controversial statements about the situation in the country by President of the Republic of Slovenia Janez Stanovnik during his recent private visit to the United States.

Dr Stanovnik's statements were assessed as irresponsible and not in keeping with his function, and it was demanded that he be called to account.

The Presidency of the Socialist Alliance of Slovenia, however, assessed at a session in Ljubljana today that attacks on Dr Stanovnik were biassed and insulting, calculated at moral and political disqualification of the Slovenian president.

The Yugoslav public was informed yesterday about the content of Dr Stanovnik's statements to the American press. Yugoslavia's top state leadership is shortly expected to declare itself on the statements.

Novi Sad Residents To Attend Belgrade Meeting

LD1211230388 Ljubljana Domestic Service in Slovene 1800 GMT 12 Nov 88

[Text] It was stated during a news conference in the city conference of the Novi Sad SAWP that the people of Novi Sad will be going to the brotherhood and unity meeting in Belgrade next Saturday in great numbers and in an organized way. All free buses will be made available for transport, and a special train will run to Belgrade. It was also stated during the news conference that a citizens association for helping Kosovo will soon be set up in Novi Sad. This association will operate within the ambit of the SAWP and will be called Solidarity.

Transportation Preparations Made

LD1511092388 Belgrade TANJUG Domestic Service in Serbo-Croatian 2007 GMT 14 Nov 88

[Text] Novi Sad, 14 Nov (TANJUG)—The committee responsible for organizing the departure of people from Novi Sad to the meeting of brotherhood and unity in Belgrade on 19 November announced this evening that 150 coaches and a special 15-car train with about 18,000 people will leave Novi Sad for Belgrade on Saturday. There is great interest in Novi Sad over the meeting, which is expected to be attended by over 500,000 people from Serbia, Bosnia- Hercegovina, and Montenegro, from where applications have so far been received. A proclamation will be issued in Novi Sad on the organization of the meeting in Belgrade. It will provide details about the departure to this meeting in support of the country's progressive forces, the standpoints of the 17th LCY Central Committee session, and of the efforts to resolve the Kosovo situation.

The organizing committee says that the Belgrade SAWP City Conference will consider the possibility of a Novi Sad representative addressing the meeting, which is scheduled to last for over an hour.

Belgrade SAWP Issues Proclamation

AU1511142188 Belgrade Domestic Service in Serbo-Croatian 1400 GMT 15 Nov 88

[Text] The proclamation that the Belgrade SAWP City Conference issued today on the occasion of the upcoming brotherhood-unity meeting says that our strength lies in humaneness, work, and creativeness, Tito's resoluteness, and the wish to cherish and strengthen the SFRY.

Over 100 citizens from many places in Yugoslavia applied to the city conference Presidium to speak at the meeting. The Presidium thanked them, but these wishes cannot be fulfilled, because the meeting is planned to last about 1 hour. It will begin exactly at 1200 [1100 GMT] on Saturday.

Novi Sad 'Solidarity' Organization Formed

AU1311204588 Belgrade POLITIKA in Serbo-Croatian 10 Nov 88 p 12

[S.N. report: "Association for Aid To Halt Emigration From Kosovo"]

[Text] Novi Sad, 9 Nov—After the big solidarity meeting held on 25 September, an association for aid to Kosovo and Metohija known as Solidarity is being formed in Novi Sad. Those who initiated the founding of this association are the same people who, on behalf of the 215 citizens of Novi Sad, proposed the solidarity meeting which was organized by the Jugoalat work organization.

As was announced today by Danilo Jerkovic and Zorqan Petrovic, members of the Initiation Council, Solidarity's statute was forwarded to the city conference of the Novi Sad SAWP, which will express its view on this issue next week.

The main aims of this association are listed in the statute. The strengthening of brotherhood and unity and providing aid to halt the emigration from Kosovo and Metohija are among its primary aims.

'Self-Protection' Committee Disbanded

AU1411203788 Belgrade POLITIKA in Serbo-Croatian 11 Nov 88 p 8

[M.B. report: "Committee for Self-Protection and Survival Disbanded"]

[Text] Kosovo Polje, 10 Nov—The members of the Committee for Self-Protection and Survival of Serbs, Montenegrins, and others in Kosovo, who were recently elected at a meeting in Kosovo Polje, decided at a meeting this evening to disband the committee because, as was said, there is no longer any need for the committee's existence. The members of the committee are of the opinion that all the progressive working people and citizens of Kosovo should in the future act through the system's institutions and organs. The meeting extended full support to the LCY and the Serbian LC Central Committees.

Serbia Concerned About Serbian Minorities Abroad

LD1511202588 Belgrade TANJUG in English 1546 GMT 14 Nov 88

[Text] Belgrade, November 14 (TANJUG)—Serbia, the largest Yugoslav republic, today urged the federal government "to devote greater attention to the position of the Serbian national minorities in neighbouring countries, especially Albania."

The Republic of Serbia Social Council set out at a session held in Belgrade today that the problems which have for a long number of years burdened ties between Balkan

countries could be resolved only through the promotion of comprehensive cooperation with neighbouring states. The council primarily had in mind the rights of the Yugoslav national minorities, rights which differ from one neighbouring country to another.

Hungary, Romania and Bulgaria, apart from Albania, are Yuguslavia's neighbouring countries where ethnic Serbs live.

The Republic of Serbia Social Council underscored that the Serbian national minority in Albania was particularly subjected to assimilation processes, which it condemned.

The council drew the federal government's attention to the fact that the assimilation of members of the Serbian national minority in Albania was "carried out by means of drastic pressures".

The Republic of Serbia Social Council made note of the fact that media in some neighbouring and also Western countries had carried derogatory reports about the Serbian people and its leadership. In Albania and Austria, for instance, some editorial boards are virtually trying to outdo one another in the matter, as the Social Council of the Socialist Republic of Serbia set out today.

The council qualified the respective foreign media reports as open attempts at a game of dividing Yugoslavia into allegedly democratic and non-democratic parts.

The council discussed also the results achieved in the efforts to make Seerbia's economy more strongly present on foreign markets, with a view to contributing to the economic stabilization. Serbia's economy has not yet succeeded in ensuring a stabler and long-term presence on the markets of some neighbouring countries, as set out at the meeting of the republic's social council in Belgrade today.

Medveda Forbids Home Buying, Selling

LD1411150888 Belgrade TANJUG Domestic Service in Serbo-Croatian 1636 GMT 13 Nov 88

[Text] Medvedja, 13 Nov (TANJUG)—In the nationally mixed South Morava region, in the municipality of Medveda, where Serbs, Montenegrins, Albanians, and members of other nations and nationalities live, the buying and selling of houses, estates, forest land, and other real estate is completely forbidden.

This decision, which was adopted by delegates of all three chambers of the municipal assembly, has been supplemented. It concerns the buying and selling of real estate between members of different nationalities who live in this area. Rigorous fines, including even imprisonment, are envisaged for violations of the statute. Previously contracts concerning the turnover of real estate, lifelong maintenance, and lifelong presents are thus made illegal. It has been established that in these forms the transfer of private houses, property, forests, and other land and real estate was conducted illegally and irregularly.

Kosovo Polje Communists Demand Resignations

LD1511002488 Belgrade TANJUG Domestic Service in Serbo-Croatian 1829 GMT 14 Nov 88

[Excerpt] Pristina, 14 Nov (TANJUG)—Communists of Kosovo Polje's 17th local community today called on Azem Valsi and Kacusa Jasari to immediately step down from the political scene.

Today it was stressed at a session of the action conference of the LC of the 17th local community that the latest events in Kosovo showed that Kacusa Jasari, Azem Vlasi, and Kolj Siroka are obstructing efforts to crush the counterrevolution in Kosovo. They were said to have persevered with the old policy and were held most accountable for the present situation in Kosovo.

Kosovo Polje Communists are indignant at the self-justification and opportunism of the Provincial LC Committee Presidium and its top people who are doing their utmost to obstruct the changes. [passage omitted]

Pensions in Kosovo Increased by 10 Percent

LD1211144588 Belgrade TANJUG Domestic Service in Serbo-Croatian 1053 GMT 12 Nov 88

[Text] Pristina, 12 Nov (TANJUG)—Pensions in Kosovo have been increased by 10 percent. The increase, which Kosovo pensioners will receive with their November checks, will be back-dated to 1 January 1988. However, this is not the last adjustment of pensions as another one is expected by the end of the year.

The highest pension in Kosovo is 916,080 dinars and the lowest 162,070 dinars.

Demonstrations on Constitution Set for Ljubljana

AU1111183188 Belgrade BORBA in Serbo-Croatian 11 Nov 88 p 5

[V. Simonovic report: "Demonstrations for a Referendum"]

[Text] Ljubljana, 9 Nov—The Ljubljana University Conference of the Socialist Youth Federation and the Slovene Writers Association have announced that demonstrations demanding a constitutional referendum will take place at 1200 on Saturday, 19 November, in front of the Slovene Assembly Building on Revolution Square in Ljubljana. They have also called for the cooperation of the Committee for the Protection of Human Rights, the Slovene Peasant Federation, the Federation of Slovene Peasant Youth, and others.

The Tone Tomsic Academy Choir will take part in the program for the demonstrations. Dane Zajc will read poetry, several speakers will be heard, and it is expected that those who were convicted at the Ljubljana trial will also appear. Members of the University Conference of the Socialist Youth Federation stressed that they hoped the demonstrations would influence the Slovene Assembly to reconsider its decision that a referendum on the constitutional amendments is unnecessary. In the opinion of the students, Saturday's demonstrations should also initiate the struggle for the democratic adoption of the new Slovene constitution.

As Veno Taufer told DNEVNIK, the Slovene Writers Association has opposed all the amendments from the start, especially the controversial ones which encroach upon Slovene sovereignty. Since the meeting in Cankarjev Hall, the writers have supported the adoption of first the Slovene constitution, and then the Yugoslav one. The writers continue to adhere to this view and still consider that the adoption of the constitutional amendments should not be rushed, especially if the price to pay for this would be as high as an infringement upon Slovene sovereignty.

Editor Appeals to Dizdarevic on Ljubljana Trial

AU1311184888 Belgrade POLITIKA in Serbo-Croatian 10 Nov 88 p 9

[Text] Ljubljana, 9 Nov (TANJUG)—Milan Meden, chief and responsible editor of Ljubljana's DNEVNIK, has sent via his newspaper a letter to Raif Dizdarevic, president of the SFRY Presidency, in which he suggests to the president that he seek additional information on the facts concerning and the course of the Borstner, Jansa, Tasic, and Zavrl trial in Ljubljana from an "independent group of experts." The Ljubljana daily will carry this letter in tomorrow's issue.

In his letter, Meden calls for amnesty for the four, who were recently given prison sentences by the Ljubljana Military Court.

Commentary Condemns Kosovo 'Purge'

AU1211142488 Belgrade BORBA in Serbo-Croatian 10 Nov 88 p 13

[Vlado Slamberger commentary reprinted from Ljubljana DELO: "Searching for Honest Souls"; date not given]

[Text] The purge in Kosovo has acquired dimensions that are best expressed by the following words spoken by the so often attacked Azem Vlasi: "If somebody thinks that entire provincial leadership should go, that is not at all difficult to achieve, because we do not have our hearts set on remaining in these posts...."

If people in Kosovo fail to find the leaders for whom they have been searching for years, leaders acceptable to both sides, then they should decide upon the solution that is well-known in the history of the communist movement: Capable cadres are sent from the "center" to certain regions on directive. The question here is what would be the attitude of the majority nationality in the province toward these people.

Therefore, what is left for us is the hope that there is still in Kosovo a sufficient number of honest, Yugoslav-oriented Albanians, Serbs, Muslims, and some of the 320 Slovenes living in the province.

Another outstanding issue is the open question of whether the change in the provincial leadership will by itself really change the situation in Kosovo, create understanding among the people, remove the fear and the feeling of being threatened among non-Albanians—both children and adults—and halt the emigration. The new (adjourned) session will try to answer this question.

Rijeka Port Workers Strike, Demand Resignations

LD1211112288 Belgrade TANJUG Domestic Service in Serbo-Croatian 1821 GMT 11 Nov 88

[Summary] Rijeka, 11 November (TANJUG)—Freight was not handled in Rijeka port today because of a strke by 600 workers of the Rijeka basic organization of associated labor. The strikers' demands were discussed during an emergency session of the workers council. The first demand is that each worker should be paid 1 million dinars back-dated for 10 months—that is, 100,000 dinars a month up to the end of this October. They want this money to be paid within 24 hours. They also demanded the resignation of Zeljko Vivoda, the Rijeka port general director, and of Marija Petrovic, the manager of the personnel office.

During their meeting, which lasted for more than 5 hours, the members of the central workers council decided to discuss the additional payments in 10 days' time after the board of management has evaluated the port's business operations. The strike is likely to continue tomorrow, Saturday [12 November], which is a working day in the port.

Work Resumes 12 Nov

LD1211234588 Belgrade TANJUG Domestic Service in Serbo-Croatian 1648 GMT 12 Nov 88

[Summary] Rijeka, 12 November (TANJUG)—After a 2-day strike in the port of Rikeka, the loading and unloading of cargo resumed again today, in spite of the fact that the workers' demand for a bonus of 1,000,000 dinars to be paid out within 24 hours was not met. Following this morning's session of the workers' council and last night's meeting of the port's sociopolitical organizations, it was decided that the surplus would be discussed in 10 days' time, while other problems at the port will be discussed at workers' meetings between now and the end of the year.

Over the past 2 days, about 600 workers of the Rijeka basic organization of associated labor [BOAL] and some of the workers of the Susak BOAL have stopped work. Their average personal monthly income over the past 9 months has been 880,000 dinnars, while individuals working overtime have been earning as much as 1,700,000 dinars.

Commentary Views Kosovo, Serbian Leaderships

AU1211194288 Belgrade BORBA in Serbo-Croatian 10 Nov 88 p 13

[Vlado Raic commentary reprinted from Zagreb VJESNIK: "The Fingerprints of the State"—date not given]

[Text] Considering the fact that there are more and more fans in the domestic political football game, even the results of the joint session of the Presidiums of the party bodies of Serbia and Kosovo could be announced in sporting terms: It was a scoreless tie. There are several reasons for this score.

First of all, there was a clash of two leaderships which are trying to solve the classic state problem (or, even better, problems) using the instruments of the party. The lack of legal security, the dysfunctions of the judiciary and administrative systems, and nationality as a crucial factor in all relations from production to neighborly relations are nothing more than the collective reason for the collapse of the state mechanism. Then, both leaderships use the supposed mass legitimization of "their" part of the population but do not discuss their own responsibility for the economic state of the republic as a whole and for the political situation in which they attempt to reply to the moves of the other side in only one way: by insisting on their own view and rejecting the assertions that come from the other side of the negotiating table.

Third, a political draw has been reached because there is negotiating and haggling about one single issue: whether the part of the leadership which will not surrender its power is to blame for the Kosovo Golgotha, and will the suffering stop if it adopts the tactics and demands of the other leadership. Both negotiating partners seemed to have forgotten that they are part of Yugoslavia and the LCY (especially), and that they are part of the system and political context together and not just two leadership groupings.

Regardless of the final result, the postponement of the trilateral party conference which was set for 7 November and which will be convened, as things stand now, at a quite uncertain time and place, shows how much of a storm there was over the unresolved result. It is obvious that both sides are dissatisfied with what has been achieved and that they are also prepared to try until some future meeting, if nothing else, to provide the role of judge in the form of the LCY Central Committee Presidium. If the Presidium accepts such an imposed role then things will become even more complicated, if that is at all possible considering the situation in Kosovo and the attitude of the republic toward this region.

New Chief Editor of DANAS Appointed

AU1311204088 Belgrade POLITIKA in Serbo-Croatian 10 Nov 88 p 11

[Text] Zagreb, 9 Nov (TANJUG)—The workers council of the VJESNIK basic associated labor organization appointed Drazen Vukov Colic as chief and responsible editor of the weekly magazine DANAS.

Drazen Vukov Colic was born in Zagreb in 1944. He graduated from the department of philosophy. From 1964-68 he worked as an associate editor, editor, and deputy chief and responsible editor of STUDENTSKI LIST.

From 1968 he worked for VJESNIK as a journalist and as the editor of the culture column. He was VJESNIK's U.S. and UN correspondent. On his return he worked on the preparations for the publication of the weekly DANAS. He worked for DANAS as the deputy chief and responsible editor until 1983, when he joined START. A year later he was sent as a correspondent to Bonn.

Journalist Drazen Vukov Colic is a recipient of the Order of Services to the People and has received other awards.

Macedonian Body Endorses Amendments

LD1511093888 Belgrade TANJUG Domestic Service in Serbo-Croatian 1544 GMT 14 Nov 88

[Text] Skopje, 14 Nov (TANJUG)—The Macedonian SR Presidency today endorsed the amendments to the SFRY Constitution in their entirety and proposed that the Macedonian Assembly should assent to the text of the constitutional amendments.

As announced, the Presidency based its support at today's session, which was chaired by Jezdimir Bogdanoski, on the assesment that the amendments coincide with the stands included in the SFRY Presidency's proposal and with the stands established at the 13th LCY Congress and in the conclusions of the 18th LCY Central Committee session.

The Presidency believes that the amendments will introduce significant constitutional changes which will contribute to further development—on the basis of market laws—in the social and economic sectors and that they will particularly facilitate the implementation of reform. As stated, this will make possible a faster emergence from the crisis.

The Presidency believes that the changes to the Constitution will ensure a more efficient functioning of the political system of socialist self-management, because they will create constitutional conditions for its improve-

ment. Introducing direct elections to delegates' assemblies, the secret ballot, and the nomination of a greater number of candidates were stressed as a significant novelty.

The proposed changes in relations in the federation will provide greater efficiency and responsibility in the enactment of laws and, also, the more efficient execution of the established common policy.

Tetovo Meetings Condemn Pristina Petition

LD1411143988 Belgrade TANJUG Domestic Service in Serbo-Croatian 1544 GMT 13 Nov 88

[Text] Tetovo, 13 Nov (TANJUG)—Several mass meetings were held today in the Tetovo region at which inhabitants, mostly of Albanian nationality, condemned the petition sent by three signatories from Pristina to the highest Yugoslav organs.

In Pirok village, Muzafer Demiri, president of the Tetovo SAWP Municipal Conference, spoke to several thousand members of the Albanian nationality. He pointed out that official Tirana stances and those expressed in the petition are identical. He stressed that equality and all that the Albanian nationality has achieved in its development in the SR of Macedonia are negated by the stances, and that a distorted and incorrect picture of the position of the Albanian nationality in this republic is given to them.

Protest meetings were held today in the villages of Zelino, Dobroste, Glodji, and Trsovci, in which Macedonians and Albanians live together. At these meetings, the petition and its authors were severely and energetically condemned because of the falsehoods and slanders expressed by it.